GOVERNMENT AGENTS STRATEGIC DIRECTIONS INITIATIVE

a report for the

MINISTRY OF SMALL BUSINESS, TOURISM & CULTURE

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INTRODUCTION

The Government Agents Strategic Directions Initiative is designed to develop a new business plan for the 60 Agents of the province. The study was comprehensive, covering every aspect of their role from the customers and communities they serve to the client ministries whose programs they deliver. The primary focus of the review was to develop a plan for cost-effective service delivery for the 21st century.

Established in 1858 the Government Agents have been delivering services to the people of British Columbia and have been the link between the government and the people particularly in more remote areas of the province. Over the years their role has changed many times to meet the evolving needs of a growing province. Their original tasks of Gold Commissioner, Registrar of Births, Deaths and Marriages and Registrar of Voters remain in many of the offices. They remain very active today, serving every ministry in government, delivering a total of 575 services ranging from simple provision of information to complex revenue collection activities.

The new realities of declining budgets and the emerging use of advanced technology called for a re-examination of the role and function of the Government Agents. This report is a first step in the development of a plan for the future.

Change literature warns that the reasons a structure has been created and why the services are delivered in their current manner should be clearly understood before attempting to make changes. To meet that goal the existing business of the Government Agents has been described in the early part of this paper to provide a base for understanding the emerging directions.

The report closely follows the Scope of Work document found in Appendix A.

1.0 ANALYSIS OF CURRENT ACTIVITIES AND TRENDS

1.1 BACKGROUND

Previous Studies

A number of previous studies were reviewed to gain an understanding of the business of the Government Agents. The reports provided a broad overview of operations, and were particularly helplful in the area of technology and customer satisfaction. Some of the studies reviewed were:

- Government Agents '96: A Concept and Direction — March 1992
- BC Access Centre Review Research: Survey Results — April 1992
- Client Satisfaction with Services, Staff and Office Attributes within GA Offices in B.C. — September 1992
- Technical Strategic Plan — June 1991
- Government Agents - Strategic Information Systems Plan, Business Definition Report — August 1992
- Government Agents - Strategic Information Systems Plan, Information Architecture Report — August 1992
- Government Agents Revenue Management System Operational Review — March 1992

Interviews

The research team carried out 53 interviews as follows:

- 17 interviews with Government Agents
- 4 interviews with Regional Directors
- 12 interviews with Client Ministries
- 4 interviews with Treasury Board Staff
- 10 interviews with senior Ministry Staff
- 6 on site interviews with Staff.

(A complete list of those interviewed is found in Appendix B.)

Workshops

Five workshops on 'Change' that included Strength, Weaknesses, Opportunities and Threats (SWOT) exercises and the subsequent development of Action Plans were carried out in Nanaimo, Terrace, Prince George, Nelson and Kamloops Regions. The exercises provided information on issues and challenges facing Government Agents in both urban and small rural communities. The sessions also provided an opportunity to gain insight into solutions that the Government Agents saw to their problems.
(The reports resulting from the SWOT exercises are contained in Appendix C.)

Definitions

For the purposes of this report the following operational definitions will be used.

Client/Client Ministries
Refers to the Ministries of the Provincial Government served by the Government Agents.

Customer Refers to the citizens of the Province who use the services of the Government Agents.

Revenue Refers to those services included in the Government Agents Revenue Management System (GARMS)

Non-Revenue Refers to those services related to the GARMS which are "customer driven" but which do not involve revenue collection (NON GARMS)

Administration/Community Involvement
Refers to those services necessary for the operation of the office, services to other ministries and community involvement. These services are not "customer driven".

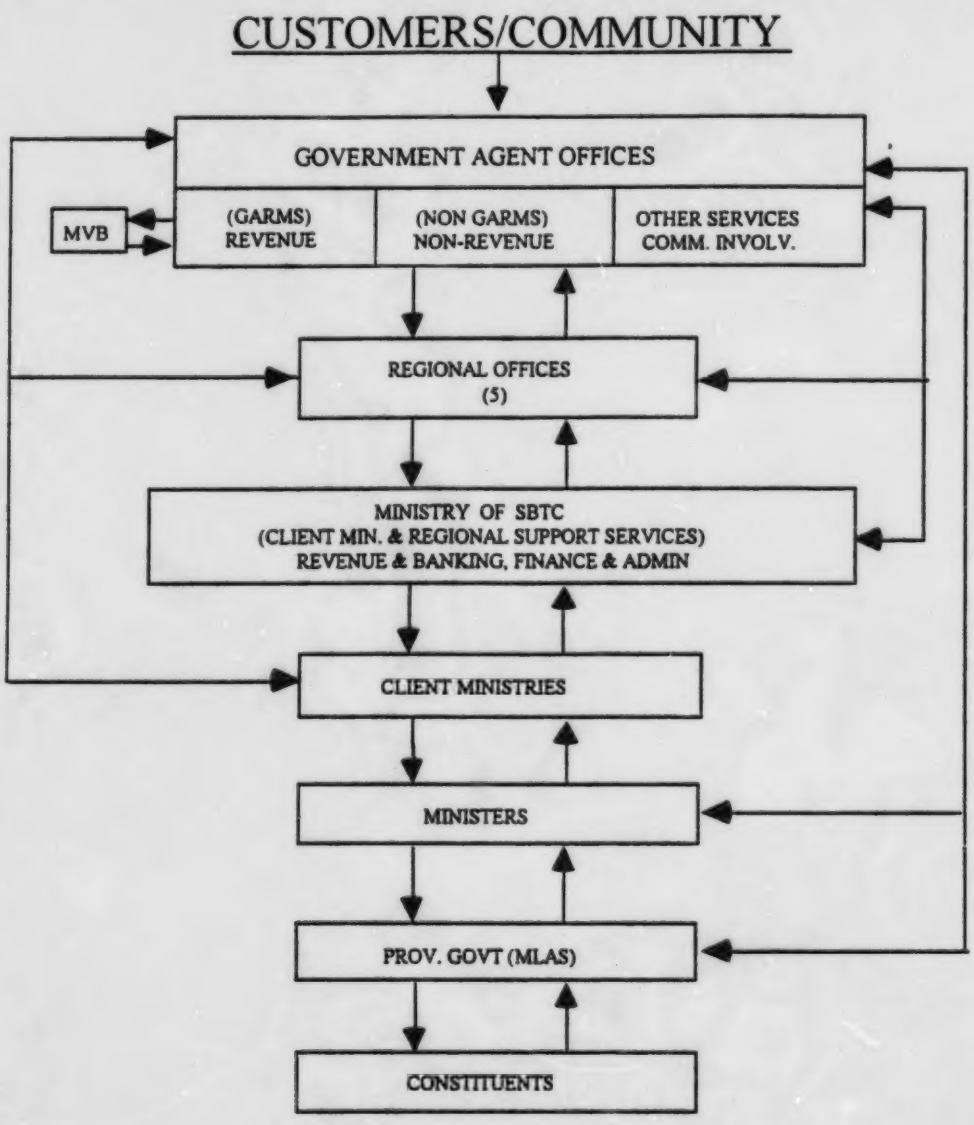
Sub-Issuer Private Sector firms that deliver services on behalf of client ministries who are supervised by Government Agents.

ORGANIZATION CHART

INFORMATION AND DECISION FLOW - GOVERNMENT AGENTS

The chart on page four demonstrates the complexity of the Government Agent relationships. While the decision making flow is clear and represented by the two arrows that flow from box to box, the information flow, represented by the arrows on either side of the boxes, is much more complex.

Government Agents must be conscious of the services they deliver for client ministries, the needs of their home ministry, the visits and problem solving they do on behalf of ministers and M.L.A.s and above all the customers and community they serve. The increase in customer expectations and declining resources make it a challenge to maintain service quality.


CUSTOMERS/COMMUNITY
GOVERNMENT AGENT OFFICES
MVB
(GARMS)
REVENUE
(NON GARMS)
NON-REVENUE
OTHER SERVICES
COMM. INVOLV.
REGIONAL OFFICES
(5)
MINISTRY OF SBTC
(CLIENT MIN. & REGIONAL SUPPORT SERVICES)
REVENUE & BANKING, FINANCE & ADMIN
CLIENT MINISTRIES
MINISTERS
PROV. GOVT (MLAS)
CONSTITUENTS

1.1.1 TYPES OF SERVICES

Government Agents activities are broken into three broad categories; Revenue Services that includes any transaction which involves the collection of money; Non-Revenue Services which includes those services related to revenue transactions; and Administration/Community Service which essentially covers the rest of the duties. The first two services are "customer driven" the last one is not.

a. **Revenue Services** - The Government Agents Revenue Management System (GARMS) records the number of transactions and the dollars collected in each office by service provided. The information collected in this category is the most accurate and has been recorded for a period of six years. The following are examples of the Revenue Services:

- Property Tax Collection
- Fish and Wildlife Licenses
- Medical Services Plan Payments
- Consumer Tax Collection
- Motor Vehicle Branch (Licenses)

b. **Non-Revenue Services** - Are those services that are related to the Revenue Services but which do not have a revenue collection component. These would involve such services as inquiries, problem solving and passing on of information. The Non-Revenue Services would parallel the examples listed for Revenue Services.

- Information related to Property Tax Collection
- Information related to Fish and Wildlife Licenses
- Information related to Medical Services Plan Payments
- Information related to Consumer Tax Collection
- Information related to Motor Vehicle Branch (Licenses)

c. **Administration/Community Involvement** - Includes all those items not contained in the Revenue and Non-Revenue services. The following are examples of services contained in this category:

- Postal Services for B.C. Mail
- News Clipping Service for the Provincial Government
- Cheque issuing on behalf of Ministries
- Correspondence
- Training
- Staff Meetings
- News Releases

These three categories were designed to capture all of the work and transactions carried out in Government Agents Offices.

1.1.1A REVENUE SERVICES (GARMS) OF THE GOVERNMENT AGENTS[1]

OVERVIEW

- In 1993/94 Government agents collected $1.12 billion on behalf of the province through 2.6 million separate transactions.

- The major revenue sources are Forestry and Consumer Tax. Together they account for over 76% of the revenue collected even though they represent only 3% of the transactions. In contrast, Motor Vehicle Branch related activities bring in less than 2% of revenue, but generate almost 22% of all transactions. Exhibit One illustrates revenue and transactions by major source. (Note A large proportion of transactions fall into the 'Other' category.)

- Most revenue is collected through the government agent offices but some is collected through sub-issuers, particularly hunting and fishing permits. Fish and wildlife transactions are almost 40% of all transactions. (Note: A few other categories are collected by sub-issuers, e.g. highway tolls, hearing aid equipment, public health inspection fees, etc.)

- Collectively, the offices serve a population of 1.46 million (i.e. approximately 45% of provincial residents).

TABLE 1 REVENUE AND TRANSACTIONS BY SOURCE - 1992/93

	Revenue Per Cent of Total	Transactions Percent of Total	Ave.Revenue per Transaction
Forest	60.0%	0.3%	$96,475
Fish & Wildlife	1.5%	39.8%	$17
Vital Statistics	0.1%	1.9%	$30
MSP	1.5%	6.5%	$100
MVB	1.6%	20.9%	$34
Property Tax	10.2%	6.8%	$638
Companies	0.1%	1.3%	$26
Land Titles	0.3%	0.1%	$113
Consumer Tax	16.3%	2.8%	$2,543
Water Management	2.1%	0.1%	$5723
Other	6.3%	18.5%	$149
Total	100.0%	100.0%	$432

[1] This material is based on GARMS data provided by the Revenue and Banking Unit

Recent Trends

- Over the period 1990/91 to 1993/94 revenue collected increased by 78% and transactions by 10%. Over the same period, staffing in the offices declined by 7.5%.

- Increases in revenue have been most pronounced in forestry, consumer tax, and other areas influenced by economic conditions. Large increases were also evident in areas where the government has increased rates.

- The number of transactions has increased in some of the areas driven by economic conditions, but also in the MSP and MVB categories. These changes may be related to government policy (e.g. changes to premium assistance) or to other factors. One of the areas linked to demographics, Vital Statistics, showed a decline in transactions over this period.

- Some areas of revenue show an uneven pattern. Companies Branch revenue and transactions are quite volatile. For example revenues in 1991 were $312,000 in 1992 - $729,000, in 1993 - $672,000 and in 1994 - $942,000. Also, the number of transactions associated with water management has shown considerable variation from year to year.

Comparison Across Regions

- The pattern of revenue activity varies from region to region - see Table Two, which compares revenue collected and transactions to population served and staff for 1993/94. Exhibit Two, for 1992-93, is included for comparison purposes.

- While Nanaimo is the largest region in terms of population, staff and transactions, its contribution to revenue is relatively low because of the small amount collected from Forestry stumpage. In contrast, Prince George collects 39% of total revenue because of the dominance of forestry in that region.

- The number of transactions per FTE also varies widely, in part attributed to transactions through sub-issuers, primarily for fish and wildlife licenses, where the transaction is counted in the Government Agents office even though the service is delivered by the sub-issuer.

- In those areas where transactions are more directly related to the number of residents (e.g. Vital Statistics), there is more similarity across regions in the number of transactions per 1000 people. (No Exhibit to illustrate this.)

TABLE 2 COMPARISON OF REGIONS - 1993/94

	Pop. Served	FTE Staff	Revenue	Trans'n	Revenue Per Trans'n	Trans'n per 1000 Pop.	Trans'n per FTE Staff
Nanaimo	42.8%	29.0%	16.3%	33.2%	$212	1,340	9,294
Kamloops	26.1%	26.6%	21.1%	25.3%	$363	1,720	7,857
Prince Gge.	15.1%	20.3%	38.7%	19.7%	$849	2,310	8,042
Nelson	10.0%	12.7%	11.8%	12.3%	$416	2,200	7,951
Terrace	6.1%	11.4%	12.1%	9.5%	$545	2,770	6,813
Province	100.0%	100.0%	100.0%	100.0%	$432	1,760	8,208

TABLE 2A COMPARISON OF REGIONS - 1992/93

	Pop. Served	FTE Staff	Revenue	Trans'n	Revenue Per Trans'n	Trans'n per 1000 Pop.	Trans'n per FTE Staff
Nanaimo	42.8%	28.5%	19.7%	32.6%	$200	1,340	8,923
Kamloops	26.1%	26.2%	21.6%	25.5%	$280	1,720	7,591
Prince Gge.	15.1%	20.6%	35.9%	19.8%	$592	2,310	7,517
Nelson	10.0%	12.8%	11.5%	12.5%	$303	2,200	7,656
Terrace	6.1%	11.9%	12.0%	9.5%	$417	2,770	6,198
Province	100.0%	100.0%	100.0%	100.0%	$332	1,760	7,797

Comparison by Office

- Even between offices the differences are more pronounced than the similarities. In 1993 transactions ranged from a low of 2635 per FTE to a high of 23,898.

- Table Three shows a comparison of transactions at the office level (ranked by number of transactions at the office). It shows an even wider range of transactions per 1000 population served and transaction per FTE than the regional comparisons in Table Two. However, the comparisons are subject to the same caveats about the mix of revenue items and use of sub-issuers.

- When comparisons are made by individual revenue source by office, we see some similarities in transactions per 1000 population, for example in Vital Statistics. In other areas, however, there are significant differences. For example the proportion using the government agents office to pay MSP premiums seems to vary dramatically. Motor Vehicle Branch transactions tend to be concentrated in the larger centres. (e.g. Nanaimo had 37,585 MVB transactions; Prince George - 48,748; Kamloops 45,348; and Kelowna - 61,764.)

TABLE 3 COMPARISON OF TRANSACTIONS BY OFFICE - 1993

Office	Transactions	Staff FTE's	Transactions Per	
			1000 Pop	Staff FTE
Stewart	6,235	2.00	5,417	3118
Ucluelet	7,700	1.60	1,876	4813
Dease Lake	8,090	3.07	3,816	2635
Mackenzie	9,558	2.00	1,631	4779
Kaslo	9,620	2.00	2,928	4810
Bella Coola	9,964	1.60	4,585	6228
Ashcroft	9,979	1.60	1,869	6237
Valemount	10,145	2.00	2,913	5073
Fort St. James	10,433	2.00	3,130	5217
Chetwynd	11,670	1.75	3,325	6669
Nakusp	11,757	1.55	4,019	7585
Atlin	12,024	2.75	30,518	4372
Ganges	12,095	2.10	1,536	5760
Clinton	12,306	1.75	9,002	7032
Fort Nelson	12,883	2.00	2,623	6442
Q. C. C.	13,724	2.00	3,256	6862
Golden	14,072	2.33	2,062	6039
Port Hardy	14,242	2.00	1,118	7121
Princeton	14,849	2.50	2,934	5940
Burns Lake	16,411	2.00	2,493	8206
Lillooet	17,479	2.00	3,823	8740
Fernie	17,764	2.00	4,369	8882
Merritt	18,279	2.75	2,067	6647
Kitimat	18,540	1.75	1,568	10594
Houston	18,708	2.25	3,335	8315
Vanderhoof	19,444	2.25	2,240	8642
Invermere	20,040	2.06	3,488	9728
Revelstoke	20,084	3.50	2,369	5738
Sparwood	20,138	1.75	2,055	11507
Creston	21,295	2.06	1,809	10337
Oliver	21,366	2.50	1,422	8546
Squamish	21,613	3.00	1,171	7204
Grand Forks	22,765	2.06	2,223	11051
Sechelt	24,026	3.00	1,196	8009
Powell River	25,128	3.00	1,385	8376
Prince Rupert	28,004	7.50	1,471	3734
100 Mile House	38,590	3.00	3,230	12863

TABLE 3 (Continued)

Office	Transactions	Staff FTE's	Transactions Per 1000 Pop	Transactions Per Staff FTE
Trail	44,842	5.00	1,420	8968
Port Alberni	49,427	8.50	1,759	5815
Dawson Creek	50,722	8.00	2,343	6340
Terrace	55,960	6.50	2,666	8609
Nelson	58,487	11.00	2,053	5317
Salmon Arm	60,313	8.40	1,836	7180
Fort St. John	62,063	9.07	2,449	6843
Quesnel	62,331	8.50	2,718	7333
Courtenay	65,020	9.50	1,556	6844
Smithers	65,930	9.50	4,135	6940
Williams Lake	68,269	9.57	2,693	7134
Campbell River	69,786	9.00	1,696	7754
Penticton	80,582	10.75	1,754	7496
Cranbrook	81,211	10.25	2,561	7923
Maple Ridge	83,644	3.50	1,113	23898
Duncan	85,168	8.55	1,664	9961
Chilliwack	95,067	11.00	1,377	8642
Vernon	102,866	12.50	1,773	8229
Nanaimo	109,980	15.00	1,019	7332
Kamloops	141,663	18.25	1,715	7762
Prince George	143,155	16.00	1,755	8947
Kelowna	155,702	19.85	1,382	7844
New West.	173,629	14.00	1,344	12402

1.1.1B BUDGETS AND STAFFING OF THE GOVERNMENT AGENTS

OVERVIEW

- The 1993/4 budget for Government Agent Offices is $18.8 million. A further $1 million is budgeted for the Client Ministries and Regional Support Services Branch (i.e. Central functions and Regional Management Units) and $1 million for the Revenue and Banking Unit.

- The majority of the Government Agent's budget (75%) is spent on salaries and benefits. A further 21% is allocated to space costs.

- The approximately 316 FTE's are employed in the Government Agent's office. The budgetary cost per FTE is approximately $59,000.

- The annual budgetary cost per person living in the service area is approximately $13.

TRENDS

- Staffing in the Government Agents office has declined by 22 positions over the past three years - a reduction of 6.5%.

- Since 1991/2 the budget for Government Agents offices has increased by 4.3%, even though the number of staff has declined. This change reflects an increase in the average cost of salaries and benefits and an increase in BCBC charges for space, computer costs and other overhead expenditures.

- A comparison of costs over time including headquarters and regional management staff is not possible because of the recent changes in the organizational structure of the ministry.

COMPARISON OF REGIONS

- Budgeted cost per FTE is similar from region to region but space cost per FTE is much higher in the Terrace and Nelson regions than in the others. The many small, remote offices contribute to the high costs per FTE.

LIMITATIONS OF THE STUDY

In a project of this nature the volume of information available for examination exceeds the time allocated for the review. Material was selected and reviewed that would best reflect the current business practices of the Government Agents. The following limitations are noted:

1. REVENUE SERVICES (Government Agents Revenue Management System - GARMS) information was provided for a 6 year period. The statistics for Fish and Wildlife include transactions which were supervised and entered by the Government Agents but not actually delivered. The sub issuers in Fish and Wildlife make up a significant proportion of the revenue transactions.

2. NON REVENUE SERVICES (NON-GARMS) information was gathered between February 14, 1994 and March 11, 1994. This period was considered to be a relatively slow period and does not reflect the true workload over the year. A further sample will be taken in what is considered to be a busy period. It is recommended that one month recording of non revenue services should be done twice each year. An allowance of 50% has been built into the analysis to reflect the slow period in which the sample was taken. The effort to collect information in this area was valuable. The data reflects a new look at the time taken to service customers seeking information on subjects related to revenue collection. The information will form a valuable base line for the future. Refinements will be sought in subsequent recordings.

3. ADMINISTRATION/COMMUNITY INVOLVEMENT (NON, NON GARMS) The information was gathered on an estimated basis for each office. The results reflect the number of hours spent in each office on the listed categories. A further round, with refined categories will be carried out in the future. Results in this area, while useful, are estimates only and are not a precise reflection of the actual time spent.

1.1.1c NON REVENUE SERVICES (NON-GARMS) OF GOVERNMENT AGENT SERVICES

The following tables resulted from the one month data gathering exercise carried out between February 14, 1994 and March 11, 1994. Excellent data had been gathered over the years on the revenue collection process, but little data had been gathered on the non-revenue side of the operation in a consistent manner over the years. This first attempt, while having some difficulty with definitions and collection procedures, gives an insight into the volume of transactions and the time needed to service the problem solving and information giving side that is related to the revenue collection.

Every staff member in the Government Agents office who provided services to customers was asked to record the time it took to provide the requested service. These totals have been rolled up from each of the 60 offices to produce a summary list of counter and telephone services provided during the month long pilot period.

A number of factors emerged from the data on non-revenue services:

1. The average time for a counter transaction was 3.34 minutes. The average time for a telephone transactions was 2.19 minutes.

2. The longest counter service average was for Mining at 6.41 minutes. The second longest was Mobile Homes at 5.73 minutes.

3. The longest telephone service average was also for Mining at 3.46 minutes. Mobile Homes again ranked second at 2.93 minutes.

4. The shortest counter service was Federal Government referral at 1.74 minutes. The second was for other government referrals at 2.18 minutes.

5. The shortest telephone service was for Provincial Government referrals at .99 minutes. Second was other government referrals at 1.14 minutes.

The averages can be misleading. For example the smaller centres demonstrate a wide variety of times for the delivery of MSP counter services. The range is from .75 minutes to 7.42 minutes. The larger centres demonstrate a much narrower range of time per transaction as the volumes increase. Telephone times do not seem to vary as widely for MSP services. The average times per transaction are not as closely tied to the volumes as the counter transactions. Some offices with significant volumes show averages under two minutes, while others, with similar volumes are over three minutes per transaction.

TABLE 4 NON- REVENUE SUMMARY DATA - PARALLEL TO THE REVENUE SERVICES

		Quantity	Total Time (Minutes)	Ave Time Per Tran
Medical Services Plan				
	Counter	5920	18461.05	3.12
	Telephone	3820	9386.69	2.54
	Total	9740	27847.74	2.86
Motor Vehicle Branch				
	Counter	7400	22783.01	3.08
	Telephone	6513	12150.84	1.81
	Total	13913	34933.85	2.51
Fish & Wildlife				
	Counter	776	2741.15	3.53
	Telephone	1000	2313.38	2.71
	Total	1776	5054.53	2.85
Mining				
	Counter	739	4740.46	6.41
	Telephone	981	3280.68	3.46
	Total	1720	8021.14	4.66
Tax Cons & Prop				
	Counter	1856	6245.49	3.37
	Telephone	4661	11071.3	2.15
	Total	6517	17316.79	2.66
Vital Stats				
	Counter	2831	7169.85	2.53
	Telephone	3034	5826.23	2.22
	Total	5865	12996.08	2.22

TABLE 5 NON-REVENUE SUMMARY DATA THAT DOES NOT PARALLEL THE REVENUE SERVICES

		Quantity	Total Time (Minutes)	Ave Time Per Tran
Com/Liens				
	Counter	1626	4014.8	2.47
	Telephone	2458	4110.24	2.53
	Total	4084	8125.04	1.99
RTB				
	Counter	1558	6216.96	3.99
	Telephone	1294	3016.25	2.08
	Total	2852	9233.21	3.24
Mobile Home				
	Counter	388	2221.54	5.73
	Telephone	407	1146.58	2.93
	Total	795	3368.12	4.24
Federal Govt. Refer				
	Counter	1988	3458.4	1.74
	Telephone	1717	2712.25	1.34
	Total	3705	6170.65	1.67
Provincial Govt.Refer				
	Counter	2034	4664.54	2.29
	Telephone	4983	6729.37	0.99
	Total	7017	11393.91	1.62
Other Govt. Refer				
	Counter	979	2132.15	2.18
	Telephone	1507	2469.73	1.14
	Total	2486	4601.88	1.85
Misc.*				
	Counter	6148	18541.31	3.02
	Telephone	8284	14884.62	2.68
	Total	14432	33425.93	2.32
	Grand Total	74,902	182,488.87	

* The miscellaneous category represents 20% of the total non-revenue services. An analysis of the area revealed that only 3 of the 112 sub-categories were greater than one percent of the total. They were General information/assistance at 4%; Phone messages/transferring call/facsimilies at 2% and Safety Engineering Services at 1.5%.

1.1.1D COMPARISON OF REVENUE AND NON-REVENUE QUANTITY OF TRANSACTIONS AS A PERCENTAGE OF THE TOTAL QUANTITY IN SELECTED AREAS

Background

Comparisons were made where the categories matched.

Service area	Revenue Quantity of transactions	Non-Revenue Quantity of transactions
MSP	7.3%	13%
MVB	21.6%	19%
Fish and Wildlife	39.6%	2%
Vital Statistics	2.1%	8%
Tax (Consumer and Prop)	9.0%	9%
Misc (Other)	17.9%	19%
Total	97.6%	70%

The remaining 2.4% of revenue services transactions were made up of .3% for Forestry, 1.1% for Companies, .8% for Land Titles and .2% for Water Management that are not matched with Non-Revenue transactions.

The remaining 30% of non-revenue transactions were made up of 5% for Com/Liens, 6% for RTB, 3% for Mobile Home, 4% for Federal Govt. Referrals, 7% for Provincial Govt. Referrals, 4% for other Govt. Referrals.

Notes

* The difference between the Revenue and Non-Revenue in Fish and Wildlife relates to the volume coming from the sub issuers. The sub-issuer transactions are counted in the total transactions of the GARMS. However, the service is delivered by the sub-issuer and tracked, monitored and accounted for by the Government Agents. Thus the discrepancy between the volume of transactions in Revenue and Non-Revenue reflects the number of customers who were actually served by Government Agents. While they count the revenue as a transaction there is no actual face to face contact. That is handled by the sub-issuer. For example, of the 510,009 angling licenses sold in 1994, 500,162 were sold by sub-issuers and 9,847 were sold by Government Agents. Of the 522,208 wildlife licenses sold in 1994, 471,426 were sold by sub issuers and 50,782 were sold by Government Agents. Because GAs are responsible for monitoring and entering the revenue transactions they show up in their data. However, the non-revenue numbers more closely reflect the amount of face to face service that is provided.

1.1.1E ADMINISTRATION/COMMUNITY INVOLVEMENT

The project designed to gather information on those services which did not fit into the Revenue and Non-Revenue customer driven services, was in the Nanaimo Region. Regional Directors and GAs made refinements to the initial document which resulted in a survey being sent in early May to each office for an estimate of the number of hours spent each month on the various categories. The information that was gathered gives an updated insight into an area which had not been studied recently. This information and that gathered in the Non-Revenue survey will provide baseline data for a profile of the activities and services of Government Agents. Information coming from the field indicated that the categories do not reflect the practices in every office. For example, the definition of community involvement resulted in two regions indicating they did not have any community involvement, while the other three regions indicated from 138 hours to 203 hours per month. It has been agreed that additional work will be necessary to ensure that the survey reflects the practices in all offices.

The average time spent on Administrative services per month is 50.88 hours per FTE. Assuming a 7 hour work day and a 20 day work month approximately 36% of the total work week is spent on Administrative/Community services. There is a wide range of services performed in this category. Some approach 1,500 hours per month when the totals for all offices are calculated, other are under 100 hours per month. Examples of services are as follows:

Service (High hours)	Hours per month
Postal Services	1402
Special Projects	1369
Open/Close Office	1004
Program Updates	999
Cheque Issuing	924

Service (Low hours)	Hours per month
Shop Steward	54
Itinerant Services	115
Scheduling	121
Profs	158
News Releases	227

The full report can be found in Appendix E.

1.1.1F ANALYSIS OF THE COST EFFICIENCY OF REVENUE/NON REVENUE DELIVERED SERVICES AS RANKED BY THE GOVERNMENT AGENTS

The Government Agents were asked to rank their delivered services on a scale of 1 to 5 according to three categories:

1. Cost Efficient to Government - They were asked to give their opinion on the cost efficiency of Government Agents delivering the specific service. '1' was very inefficient and '5' was very efficient.

2. Relevancy - They were asked to give their opinion on whether the program/service continued to make sense for Government Agents to deliver as a province wide program/service. '1' was not relevant and '5' was very relevant.

3. Priority - They were asked to rank the demand for their office to deliver the program/service in their community. '1' was not a priority and '5' was a high priority.

These programs/services were then related to the Strategic Priorities of Government outlined in The Plan, published by the Provincial Government in 1994 to guide the work of the ministries:

1. Strengthening communities and regions
2. Developing a strong and sustainable economy
3. Promoting social equity and fairness
4. Renewing health care
5. Redefining government.

This initial analysis was based on the Cost Efficient Rankings. A later part of the study examines the rankings when all three categories, Cost Efficient, Relevance and Priority are added together for an overall ranking.

1. 568 services were identified which included 468 Non-Garms and 100 Garms.

2. One analysis will be based on services with a ranking of 4.5 out of 5 or higher for a total of 115 services.

3. The second analysis will be based on services with a ranking of 4.0 out of 5 or higher for a total of 391 services.

4. The selection of rankings at the 4.5 and 4.0 level are arbitrary. They were selected to allow for discussion surrounding the issue of cost efficiency.

The number of services delivered on behalf of the **most active Ministries** along with the number of services which were ranked at the 4.5 and 4.0 levels are as follows:

TABLE 6 NUMBER OF SERVICES & THEIR RANKINGS -- MOST ACTIVE MINISTRIES

Ministry	# of services	# 4.5 or better	#4.0 or better
Attorney General	53	8	24
Finance & Corp Rel	51	23	45
Envir, Lands & Parks	48	10	34
Health & Seniors	44	16	40
Small Bus, Tour & Culture	39	16	33
Federal Govt.	39	0	19
Transport & Highways	33	3	21

In the opinion of the Government Agents the most cost efficient services amongst the most active ministries are found in Finance and Corporate Relations where 45% of the services were ranked 4.5 or better out of 5. The other ministries in order were:

Small Business Tourism and Culture	41%
Health and Seniors	36%
Environment, Lands and Parks	21%
Attorney General	15%
Transportation and Highways	9%
Federal Government	0%

The number of services delivered on behalf of the **less active Ministries** along with the number of services which were ranked at the 4.5 and 4.0 levels are as follows:

TABLE 7 NUMBER OF SERVICES & THEIR RANKINGS -- LESS ACTIVE MINISTRIES

Ministry	# of services	# 4.5 or better	# 4.0 or better
Forests	27	0	8
Energy Mines & Pet.	26	8	21
Skills, Training, Labour	24	1	15
Municipal Affairs	23	7	18
Agriculture, Fish & Food	22	0	12
Social Services	21	0	8
Crown Corps	21	3	17
Govt. Services	20	6	18
Housing & Consumer	20	7	16
Women's Equality	13	0	10
Regional Districts	10	0	2
Municipal Govt.	9	0	2
Education	9	0	5
Employment & Invest	9	0	8
Premier's Office	8	0	7
Ombudsman	5	4	5
Aboriginal Affairs	4	3	3

It is interesting to note that the highest percentages of delivered services ranking 4.5 or better are for Ombudsman and Aboriginal Affairs. Eighty percent of the Ombudsmans services and 75% of Aboriginal Affairs services rank 4.5 or better. Other services with high cost efficiency rankings are:

Housing and Consumer Affairs	35%
Energy, Mines and Petroleum Resources	31%
Municipal Affairs	30%
Government Services	30%

THE FOUR OFFICE SIZES AND THE RANKING OF COST EFFICIENCY

A comparison was made between the 4 established office sizes (Micro - less than 2.5 FTEs; Small - 2.5 to 5.99 FTEs; Medium - 6.0 to 9.99 FTEs; and Large - 10 or more FTEs.) and the ranking of the services for cost efficiency. The results indicated some significant differences between offices sizes and their rankings. Micro offices and Large offices tended to rank the services higher than the Medium and Small offices.

1. Micro Offices (less than 2.50 FTEs)

Rated 252 services at 4.5 or better in Cost Efficiency	44%
430 Services were ranked 4.0 or better	76%
14 of the first 31 services were revenue	

2. Small Offices (2.50 to 5.99 FTEs)

Rated 161 services at 4.5 or better in Cost Efficiency	28%
386 services were ranked 4.0 or better	68%
17 of the first 31 services were revenue	

3. Medium Offices (6.00 to 9.99 FTEs)

Rated 49 services at 4.5 or better in Cost Efficiency	8%
288 services were ranked 4.0 or better	51%
12 of the first 31 services were revenue	

4. Larger Offices (10 or more FTEs)

Rated 189 services at 4.5 or better in Cost Efficiency	33%
434 services were ranked 4.0 or better	76%
13 of the first 31 services were revenue	

1.1.1G ANALYSIS OF CURRENT SERVICE TRENDS

Volume and Growth - Where, Why?

Revenue

Revenue collection has grown from $535 million in 1989 to $1,123 million in 1994, a 110% increase. Table 8 indicates the growth in revenue service:

TABLE 8 SERVICE AND REVENUE GROWTH, 1989-1994

Service	1989	1994	% increase
Forestry	$328 million	$675 million	106%
Consumer Tax	$38 million	$183 million	382%
MVB	$1 million	$19 million	1,800%
Property Tax	$84 million	$112 million	33%
MSP	$8 million	$17 million	113%

The number of transactions needed to collect revenue have not increased at the same rate. In 1989, it took 1,884,000 transactions to collect $535 million. By 1994 the volume of transactions increased to 2,598,000 to collect $1,123 million. The transactions increased by 38% against a 110% increase in revenue collected.

Data is not available on transactions carried out per FTE each year for the full six year period. Data for 1992 to 1994 indicates that the number of transactions per FTE increased from 7,631 in 1992 to 8,208 in 1994, an 8% increase. The number of transactions per FTE varies by region. In 1994 Nanaimo had the highest ratio with 9,294 transactions per FTE, while Terrace had the lowest with 6,813 per FTE.

Growth in revenue was significant in all areas. Prince George and Kamloops regions have the highest dollar growth because of large increases in volume in forestry stumpage fee collections. Table 9 shows the growth in dollar volume by Government Agent region:

TABLE 9 REVENUE BY REGION, 1989-1994

Region	1989	1994	% increase
Nanaimo	$77 million	$183 million	138%
Kamloops	$98 million	$238 million	143%
Prince George	$218 million	$433 million	99%
Nelson	$72 million	$133 million	85%
Terrace	$70 million	$135 million	93%

Transaction increases by region are as shown in Table 10:

TABLE 10 TRANSACTIONS BY REGION, 1989-1994

Region	1989	1994	% increase
Nanaimo	545,000	862,000	58%
Kamloops	455,000	657,000	44%
Prince George	392,000	511,000	30%
Nelson	285,000	320,000	12%
Terrace	207,000	247,000	19%

Obviously, as Table 9 and 10 highlight, increases in revenue do not match the increases in transactions.

Individual offices also experienced growth in revenue in all but one case. Stewart had a drop in transactions from 12,100 to 6,500 between 1989 and 1994. They also experienced a decline in revenue collection from $1,070,000 to $529,000. The decline was primarily related to the transfer of all ICBC activities to a private insurer. Previously the GA for Stewart had served as the primary MVB and ICBC agent for Stewart. Eleven offices declined in volume of transactions but in every case revenue collection increased during the same period. Table 11 highlights locations of significant transaction decline and revenue growth:

TABLE 11 TRANSACTIONS AND REVENUES BY SELECTED AGENT OFFICES 1989-1994

Office		1989	1994
Atlin	Transactions	13,600	11,700
	Revenue	575,000	737,000
Bella Coola	Transactions	12,000	10,300
	Revenue	697,000	1,112,000
Clinton	Transactions	12,200	11,500
	Revenue	262,000	457,000
Dease Lake	Transactions	14,900	9,300
	Revenue	920,000	1,300,000
Ft. St. James	Transactions	9,751	9,732
	Revenue	638,000	23,000,000
Golden	Transactions	17,000	14,000
	Revenue	1,600,000	4,800,000
Invermere	Transactions	24,400	21,000
	Revenue	3,800,000	8,800,000
Kaslo	Transactions	13,400	9,600
	Revenue	454,000	875,000
McKenzie	Transactions	10,700	9,800
	Revenue	19,000,000	37,000,000
Prince Rupert	Transactions	30,600	27,600
	Revenue	3,300,000	9,500,000
Quesnel	Transactions	69,700	63,000
	Revenue	16,000,000	37,000,000

Growth in transactions occurred in the remaining offices: Five offices experienced growth in the volume of transactions near or above 100% over the six year period - see Table12.

TABLE12 TRANSACTION GROWTH BY SELECTED OFFICE, 1989-1994

Office	1989 trans.	1994 trans.	% increase
Duncan	29,000	87,000	200%
Courtenay	29,000	68,000	135%
Ucluelet	3,800	7,600	100%
Lillooet	8,800	17,500	99%
Nanaimo	55,000	105,000	91%

The growth in transactions reflect patterns of growth in certain regions of the province. BC STATS has traced significant population growth in the Nanaimo region. (See Appendix I for the BC STATS report.) This is reflected in Table 12 which shows four of the five offices with the largest growth are in the Nanaimo region.

The growth in revenue primarily reflects the growth in forestry stumpage revenue. $347 million of the $588 million in growth over the six years is attributable to stumpage fees. Consumer tax collections were next with growth of $145 million. These two areas represent over 80% of the total growth in revenue from 1989 to 1994.

(Data utilized in this section was supplied by the Revenue and Banking Division of the Ministry of Small Business, Tourism and Culture.)

Non-Revenue

Unfortunately historical data on non revenue transactions is not available. It may have shown a growth parallel to the growth in revenue. It is the intention of the Government Agents to refine the categories and collection system and to continue to sample non-revenue activities. A number of Government Agents believe that non-revenue activities parallel revenue activities. Until such time as reliable comparative data over a number of sample periods is available, however, this opinion cannot be confirmed.

1.1.2 Customers (Public and Their Needs) Analysis of Service Trends

1. A professional service involves offering qualified, advisory and problem-solving skills to clients. The quality of the service can be controlled to an extent, through policy and systems design, but basically the service is inseparable from the service provider.

   The nature of the marketing of services can be based on the following propositions: (F.G. Crane, Professional Services Marketing: Strategy and Tactics, Haworth Press, 1993).

   • Providers of professional services need to market these services. Clients are more sophisticated now, competition for client dollars is more competitive, and cost recovery and profitability are needed in order to survive and prosper.

   • Professionals need to be marketers. This is in the sense that services are about satisfying client needs.

   • The client's needs should always take precedence over the professional's needs. Effectiveness can be defined as the provision of a satisfactory service to the client. The staff member may have the technical ability to supply a service, but it may not be the right one for the client.

   • Professional services marketing requires time and money. It must be a comprehensive service with resources committed in both the short run and the long run.

   • Services marketing means being opportunistic. Providers of services need to be open and receptive to new opportunities. This includes finding ways to provide existing services better, to develop new services, and to maintaining a competitive edge in relation to other possible providers of such service.

2. Some general comments on the G.A. service situation:

   • Everyone is looking for services today (a bundle of services). Create the image of being the "Best" source of services - being an "alternative" is not good enough.

   • There is need for service stability. Citizens expect a certain service offered in a certain way. Alternative forms of delivery, even if marginally more cost-effective, need to be looked at in light of the need for a stable service organization with which people can establish a relationship.

   • The staff of the G. A. service need to feel that there is a clear direction and long-term vision for the future.

• The staff of the G. A. service need to feel that there is a clear direction and long-term vision for the future.

• Generally there should be a focus, as a first step, on finding new applications for services that are already provided. This is generally more effective than going out to find new clients and new products to offer. Give clients a reason to come back and obtain more of existing services, enhancements to existing services or new services.

3. The promotion of services is difficult because of the four "I's": intangibility; inventory; inconsistency and inseparability.

Intangibility makes it difficult to demonstrate the service quality. A suggestion is to offer tangible images to promote the service such as presenting the offer through an identifiable spokesperson or tying the concept to a phrase that identifies a tangible ("I've got a piece of the Rock").

Inventory (perishability) means that service providers cannot store their unused capacity - it is time-based.

Inconsistency means that people provide services and the quality of service often varies within the group, or even the day-to-day performance of the same provider. This is referred to in the following table as "heterogeneity".

Inseparability refers to the fact that the service is provided and "consumed" by the client at the same time, and the active participation of the client is generally required to identify the need and problems.

4. Berry and Zeithaml in "Problems and Strategies in Services Marketing" (Journal of Marketing, Spring 1985, p.35), provide a tactics grid related to service features, marketing problems, and solutions.

Unique Service Features Problems	Resulting Marketing Problems	Marketing Strategies to Solve
Intangibility	1. Services cannot be stored. 2. Cannot protect services through patents. 3. Cannot readily display or communicate services. 4. Prices are difficult to set.	1. Stress tangible cues. 2. Use personal sources more than nonpersonal sources. 3. Simulate or stimulate word-of-mouth communications 4. Create strong organizational image. 5. Use cost-acc'ng to help set prices. 6. Engage in post-purchase communications.
Inseparability	1. Consumer involved in production. 2. Other consumers involved in production. 3. Centralized mass production of services difficult.	1. Emphasize selection and training of public-contact personnel 2. Manage consumers. 3. Use multi-site locations.
Heterogeneity	1. Standardization and quality control difficult to achieve.	1. Industrialize service. 2. Customize service.
Perishability	1. Services cannot be inventoried.	1. Use strategies to cope with fluctuating demand. 2. Make simultaneous adjustments in demand and capacity to achieve a closer match between the two.

Source: Adapted from Valarie A. Zeithanl, A. Parasuraman, and Leonard L. Berry, "Problems and strategies in Services Marketing, " *Journal of Marketing*" (Spring, 1985), p. 35

1.2 ANALYSIS OF CURRENT SERVICE TRENDS - CHANGING DEMOGRAPHICS OF THE CANADIAN AND B. C. CONSUMER

Three major themes or trends emerge:

- there will be a general slowing in the rate of growth in population and in households, but the western provinces will continue in a relatively high-growth mode to the year 2011 (see the following synopsis).

- the aging of society

- the increased fragmentation of consumer product and service markets as organizations attempt to deal differentially with the elderly, minorities, changing patterns in households, and the increase in the numbers of people who live alone (the "S.S.W.D" market - standing for single, separated, widowed and divorced).

The following are estimated population figures from Statistics Canada as of 1 June 1992, and projected growth figures to 2011. (Vaupshas, Issues in the Canadian Marketplace, Dryden Press, 1994, pp. 83-111).

TABLE 13 ESTIMATED POPULATION GROWTH 1992 TO 2011 BY PROVINCE

	June 1, 1992	2011 Projected	% Pop. Change
Newfoundland	575,600	566,100	-1.65%
Prince Edward Island	130,200	139,000	+6.76%
Nova Scotia	907,300	963,800	+6.23%
New Brunswick	728,100	740,600	+1.72%
Quebec	6,925,000	7,684,300	+10.96%
Ontario	10,098,000	11,843,200	+17.28%
Manitoba	1,096,000	1,223,700	+11.65%
Saskatchewan	993,700	1,124,600	+13.17%
Alberta	2,565,000	3,298,700	+28.60%
British Columbia	3,305,300	3,997,800	+20.95%
North West Territories	56,100	71,800	+27.98%
Yukon	28,000	36,600	+30.71%

A later source of data from BC STATS indicated significantly different figures for British Columbia. Their 1992 figure was 3,451, 269 and their 2011 figure was 4,817,348. The

BC STATS figures indicate a growth rate of nearly double those in the cited works (eg. 40% vs. 21%).

B.C., Alberta and Ontario should, according to these data, be the areas in Canada that will enjoy the largest growth in the immediate future.

Some demographic and life-style trends that may be considered:

- Births in Canada were 385,000 (1990) and estimated at 413,874 (June 1992) for a 7.5% increase (Stats Canada).

- Women in the workforce: 1989 - 4,508,000 to 5,574,000 in Nov 1992 for a 23.6% increase during the period. (Stats Canada).

- Immigration: 238,475 on June 30, 1992 - up from 180,000 in 1990 (a 32.5% increase). It is estimated that between 1992 and 1995, 30,000 people per year will have come from Hong Kong (with an impact on real estate, financial services, and government services).

- There is growth in the suburbs, but at the same time older Canadians are moving towards the cities or into community residences.

- The population is aging. By the year 2031, 27% will be over the age of 65 years of age. This will impact medical services, accommodation (maintenance free and more secure), "elder care", and delivery services of all kinds.

- The American advertising industry calls the older market "woopies" (well-off older people). It is estimated In the United States that this group will have an annual discretionary income of $150 billion.

- Anecdotal material tells us Western province people are more relaxed, less formal, and tend to spend more time outdoors.

- Changing family structure. The number of people living alone is now approximately 25% of the population. In addition lone-parent families have increased in numbers at a faster rate than husband-wife families. Between 1980 and 1985 dual parent families increased by 4.8%, while male lone parent families increased by 22% and the female only families increased by 19%. In addition, there has been a general compacting of family decision-making in traditional families as wife only and husband only product and services decisions have given way to decisions made autonomically (either/or) or through jointly made decisions.

• The number of young adults 18-24 years of age peaked in the early 80's and is projected to decline slightly. This decline may be partially offset by rising purchasing power of this group. Table 14, drawn from Stats Canada illustrate forecasted changes in age groupings:

TABLE 14 POPULATION GROWTH 1991-2001 BY AGE GROUP

Year	Under 5	6-9	20-34	35-64	65+
1991	2,097,000	5,088,000	6,749,000	9,506,000	3,173,000
2001	1,639,000	4,862,000	5,759,000	11,765,000	3,884,000
%	-21.84%	-4.4%	-14.67%	+22.82%	+22.5%

1.3 EXAMINATION OF CURRENT RESOURCES

1.3.1 Analysis of Current Office Technology

The major technology at the Governments Agent's offices is used to support two types of computer systems: operational or service delivery systems that provide direct customer service, and systems that support the administration and management of the organization. This categorization is not intended to be rigid but to assist in analysis. The following sections document the inventory of resources used by each system and then offer some observations based on a cursory examination.

I. Support of Operational Systems

The government agents offices today primarily use the Government Agents Revenue Management System (GARMS), Government Agents Menu (GAM) and Motor Vehicle Branch (MVB) Pelt application in support of their customer service mandate. These systems were initially developed in the 1980's and though they have been modified and updated, their basic design is still based on the following components:

- Display screens ('dumb terminals') such as the 3270 and Mohawk terminals. These terminals are dedicated to an application or vendor system
- 3270 controllers or concentrators
- Dedicated communication lines from each government agents office
- Host based applications
- The applications are developed and run on the host such as the BCSC MVS and the ICBC MVS host systems
- The current hardware inventory is in Table 15.

TABLE 15 CURRENT INVENTORY TO SUPPORT THE OPERATIONAL SYSTEMS

Resources	Numbers	Status
3270 display terminal	339	1993 statistic
3270 control units	60	1 per site
3270 Printers	197	some in progress
Pelt control units	25	not all locations
Pelt terminals	97	"
Pelt printers	50	"
SNA leased lines	60	1 to each site

The major applications that support the government agents on this technology are:

1. GARMS (Government Agents Revenue Management System)

GARMS is the major operational system that provides over the counter service for revenue collection and forms inventory management. The system uses the 3270 display to communicate with a sophisticated application running under the IMS subsystem on the BCSC MVS system. This application uses a large number of DB2 databases and interfaces with a large number of other Ministry subsystems including OCG, B.C. Online, Motor Vehicles, MSP, and Property Tax.

2. GAM (Government Agents Menu)

This is a complementary system to GARMS that provides access to 15 government systems for non revenue transactions. These systems include Land Titles, BCAA and Voters. The major function provided is inquiry although a couple of systems (Personal Property Registry and Mineral Titles) allow update. All of the applications accessed today through GAM are similar: 3270 based host applications.

3. MVB Pelt

This system provides MVB drivers and vehicle processing support to the government agents in 25 of the government agents offices. The access is through the specialized Mohawk system which provides links to both the BCSC and ICBC MVS system. The MBV Pelt system is closely integrated with Garms for inventory and revenue processing.

Observations

1. The GARMS system is a very complex and critical system. Most of the recommendations of the 1992 Operations Review have been implemented. The current SDI study could have a major effect on Garms.
2. The current operations systems require too much duplication:
   - duplication of data entry e.g. financial data and name and address are entered twice in some cases because of incompatible systems.
   - duplication of terminal hardware caused by incompatible systems.
   - duplication of networks because the cannot 'talk' to each other.
3. The current systems lack needed flexibility:
   - flexibility to get custom reports from the system
   - flexibility to do more than a single function on the terminal hardware
   - flexibility to access data bases and applications on other platforms.
4. The changes that are being planned by MVB will have a major impact on GA offices. Their planned implementation of local area networks will leave GAs unable to access information and data from MVB. This is an example where incompatible equipment will cause duplication of data entry.
5. The Government Agents are falling behind in the use of technology.

II Support of Administrative/Support Systems

Support systems include systems that assist in running the business. Examples are electronic mail, word processing, financial analysis and administrative systems. Government agents have a mixture of old and new technology. The current personal computer install base of 60 Apple Macintosh computers is being enhanced with the installation of 60 IBM compatible personal computers and supporting software. This will provide greater capability for the government agents to do local applications in their offices and will greatly enhance their ability to communicate more information to their customers.

Table 16 outlines the inventory of support system computer hardware.

TABLE 16 ADDITIONAL INVENTORY OF SUPPORT SYSTEM COMPUTER HARDWARE

Resource	Numbers	Status
Apple Macs	60	
System 7 Operating System	60	
Macmainframe	60	3270 emulation
WorkPerfect	60	
Mac320	8	vt emulation
MS Office	26	in progress
Excel	29	
printers	60	
modems	60	in progress
IBM Compatible PC	60	in progress
DOS and Windows	60	in progress
Microsoft Office	60	in progress
Rhumba Office	60	in progress
printers	1	
VT terminals	18	6 locations
VT printers	6	
Dnet lines	6	

The main support applications available are:

1. **Local application capability that includes:**

   Word for wordprocessing
   Excel for spreadsheets
   Powerpoint for presentation
   Access for local database applications
   Terminal emulation using Rhumba Office, Macmainframe, Mac320

2. **Electronic Mail**

The Profs system running the latest version of the Office Vision software provides electronic mail capability to the government agents on their 3270 display. The system supports Government Agents mail and also provides interchange of mail with other mail systems such as All-In-One and CC: Mail through a BCSC gateway.

3. **Vax Applications**

For government agents offices that have VT terminals they have access to the applications on the Vax such as All-In-One for mail and leave management.

Observations

1. The implementation of "smart" workstations (Apples and pc's) provides great opportunities for improved and new applications. These include standard word processing and spreadsheets but can be extended to customizing local database applications and new functions (e.g. WinFax) for direct fax access.
2. The use of emulators, to allow different hardware to 'talk', provides added flexibility for the workstations to access other systems and applications. For example access to the Vax should be available through telephone lines.
3. The support and training requirements for these capabilities increases significantly and need to be carefully managed by systems services.
4. New issues will surface as the use of the technology is extended. One issue today is the best way to provide document transfer.

1.3.2 Analysis of Human Resources

OVERVIEW

A review of the existing Human Resources component of the Government Agent Service was undertaken to analyze the relationship between the organizational structure at the line level, employee profiles, and the workload demands.

Organizational changes of the recent past have had an impact on various regional positions as well as the structure of some offices. In the main, this was caused by the elimination of some Deputy Government Agent positions, although some of the support staff positions were also affected by the reorganization.

Prior to 1986, there had been a confirmed staffing structure and plan for each category of field offices. (Category One = 1-2 FTE's, Category Two = 2.5-6 FTE's, Category Three = 6.5 + FTE's). The staffing plan provided guidelines for the numbers, types of classified positions, and reporting relationships for typical offices. There has not been a new ministry-wide Human Resources Plan developed to support the current organizational structure. The plan should emerge from discussions surrounding the workload issue and the reallocation of resources. Base line information that is being gathered as a part of this report will provide the first step to creating a fair workload measurement system. This information could be used to create a new Human Resources Plan for the Government Agents.

- **OFFICE STAFFING STRUCTURE AND CLASSIFICATION**

Regional offices have attempted to design their administrative staffing structure in the Customer Services Representative (Clerks) positions to meet the office demands. There is relative consistency across the regions in this regard. High volume offices that have a greater span of program responsibilities tend to have more administrative staff classified at the higher level. There have been some recent classification changes made to bring the staff levels more in line with the nature of the work. However, a couple of anomalies still exist where there are more OA2 positions than would be expected given the type and frequency of activities being conducted at these offices.

- **WORKLOAD**

Workload in the Regional operations has been, and remains, an issue of concern. There are variations both within and between regions in this regard. It is acknowledged by the field and central personnel that this must be reviewed and addressed by the Ministry of SBTC.

There are regular peak-load work times associated with transactions such as, consumer tax payments or residential tenancy, which occur typically at the beginning or end of the month. As well, there are yearly periods of greatly increased workload activity occasioned by deadlines for payment of property tax on July 5th of each year. During these periods,

staff are reallocated between GA offices in the regions to assist with the immediate demands. Special circumstances such as elections and enumeration also effect workload and priorities and are dealt with in a similar manner.

These periodic situations of high workload demand may become chronic due to growth in a specific area and necessitate the consideration of permanent personnel relocation or reassignment. Use of part-time work arrangements, the use of auxiliaries, and the adjustment of staff leaves are personnel management methods employed to balance varying work load demands over time while maintaining integrity of the organizational structure.

- **ROLES, RESPONSIBILITIES AND RELATIONSHIPS**

There appears to be a clear and appropriate association between the nature of duties and responsibilities assigned to the Administrative staff and their classification levels. However, within the office structure, a significant gap exists between management classification level of the Agents and the Administrative staff. This may be of concern for succession planning and for assumption of responsibilities in the absence of the Agent. In recognition of this situation, a management trainee position at the AO1 level, was created to be used in a management development bridging program. Although the classification still exists it is not currently resourced. The decrease in Deputy Government Agent positions and the low turnover has affected the viability of this developmental path. A careful review of career paths and succession planning should follow this report. Circumstances similar to those found amongst Government Agents staff have created false barriers to promotion in other ministries.

- **STAFF TRAINING AND DEVELOPMENT**

The primary Human Resource concern is the training and development of staff. A supervised on-the-job training program exists only for administrative staff in the specific tasks essential to operation in areas of program responsibility. There are no current skills profiles for the field positions and no systematic training or development program for the Government Agents. There are GA work plans and training plans in place in the regions. Skill profiles and training and development programs are in development at the present time.

With the change in the Ministry's organizational senior management structure a career development path to more advanced positions for Agents is also not clear. There is a need to address this issue for both the administrative and management level positions.

There is strong interest in determining the training needs of the field and in specifying the roles of the region, and central Personnel in assisting with the planning and delivery of programs to most appropriately respond to these needs.

• STAFF CHARACTERISTICS

The attached chart of employee demographics indicates a mature and experienced workforce, with the vast majority of Agents and senior clerical staff being in the over 40 years age group. If it is assumed that staff will be working through to maximum age before retirement, there are likely to be few vacancies in the next five years. The major impacts from retirement will be experienced within the next ten to fifteen years.

These groups are very similar to characteristics of other workers across government. The plateauing effect has been well documented and is highly relevant to these staff. It is noted that there are a significantly higher number of younger women represented in the Government Agent/Deputy, Management Level 2 category. See the Chart on p.39 for a demographic analysis of the staff.

• MANAGEMENT

From a general Human Resource management perspective, there appears not to be serious concerns in the Personnel area as evidenced by:

- well qualified candidates for recruitment to new positions;
- low turnover in the job roles, (estimated to be less than 2%);
- no greater leave management or labor relations issues than are normally associated with this number of employees (approximately 450 FTE's) in a large public sector organization;
- few existing vacancies remaining to be filled.

DEMOGRAPHIC ANALYSIS
GOVERNMENT AGENT/DEPUTY
MANAGEMENT LEVEL 2

AGE GROUP	MALE	FEMALE	TOTAL
> 60 YEARS	0	0	0
56-60 YEARS	2	0	2
51-55 YEARS	1	1	2
46-50 YEARS	6	4	10
41-45 YEARS	6	4	10
36-40 YEARS	1	8	9
31-35 YEARS	0	1	1
25-30 YEARS	0	0	0
< 25 YEARS	0	0	0
TOTALS	16	18	34

DEMOGRAPHIC ANALYSIS
CLERK 4

AGE GROUP	MALE	FEMALE	TOTAL
> 60 YEARS	1	2	3
56-60 YEARS	2	12	14
51-55 YEARS	4	28	32
46-50 YEARS	4	36	40
41-45 YEARS	4	32	36
36-40 YEARS	2	37	39
31-35 YEARS	0	10	10
25-30 YEARS	2	8	10
< 25 YEARS	0	2	2
TOTALS	19	167	186

DEMOGRAPHIC ANALYSIS
GOVERNMENT AGENT
MANAGEMENT LEVEL 4

AGE GROUP	MALE	FEMALE	TOTAL
> 60 YEARS	2	0	2
56-60 YEARS	3	1	4
51-55 YEARS	5	0	5
46-50 YEARS	2	0	2
41-45 YEARS	7	1	8
36-40 YEARS	3	0	3
31-35 YEARS	0	0	0
25-30 YEARS	0	0	0
< 25 YEARS	0	0	0
TOTALS	22	2	24

DEMOGRAPHIC ANALYSIS
OFFICE ASSISTANTS

AGE GROUP	MALE	FEMALE	TOTAL
> 60 YEARS	0	1	1
56-60 YEARS	0	2	2
51-55 YEARS	0	6	6
46-50 YEARS	0	3	3
41-45 YEARS	0	6	6
36-40 YEARS	0	13	13
31-35 YEARS	3	6	9
25-30 YEARS	0	5	5
< 25 YEARS	1	1	2
TOTALS	4	43	47

1.3.3 Customer Satisfaction with GA Services (Past Studies)

Two studies were carried out in 1992 that provide a base line of information for the expectations of customers. The results are summarized here to outline the strengths that have been found and to identify the areas where there are problems. As a part of this study, further research, through an omnibus survey, and another customer exit survey was carried out to validate the earlier studies. The first study, by Coast Research Resources was focussed on Government Agent offices. The second by Campbell Goodell Consultants Ltd. directed the review to Access Centres.

HIGHLIGHTS OF A SURVEY STUDY: CUSTOMER SATISFACTION WITH GOVERNMENT AGENT SERVICES

By Coast Research Resources, in October 1992

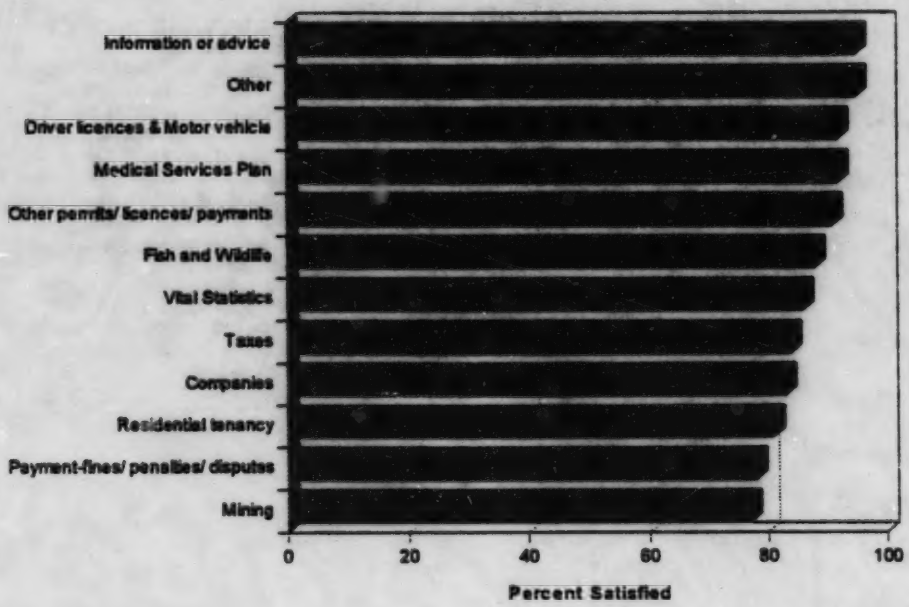
- The clients were highly satisfied with the services provided by government agent offices, including, information and advice, driver licenses and medical service plan. (Figure 1)

- The clients were highly satisfied with the attributes of government agent staff, such as, friendliness, helpfulness and the ability to answer all the questions. (Figure 2)

- The clients were satisfied with the attributes of government agent office in general. (Also Figure 2). However, a concern with regard to the availability of parking was expressed by 28% of the clients of all the respondents surveyed. Satisfaction with this attribute varied across regions. While 100 percent of respondents from Chilliwack, Kitimat, Lillooet, Revelstoke, Valemount, Vanderhoof were satisfied with the availability of parking, less than 30 percent or respondents in Maple Ridge and Nanaimo were satisfied. (Figure 3)

- The size of the Government Office seems to be related with client satisfaction. Clients in small offices reported greater satisfaction and appreciation with services received, staff and office attributes than in larger offices.

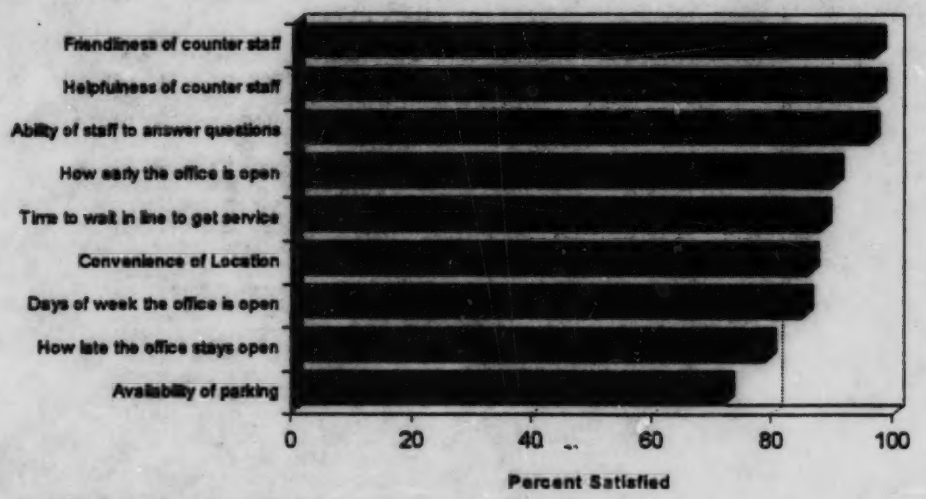
FIGURE 1. CUSTOMER SATISFACTION WITH SERVICES OF GOVERNMENT AGENT OFFICES



SOURCE: Coast Research Resources

NOTE: Satisfaction was rated on a 5-point scale: 1=not at all, 2=slightly, 3=moderately, 4=very, 5=completely satisfied. Very Satisfied and Completed Satisfied ratings were combined to produce this figure.

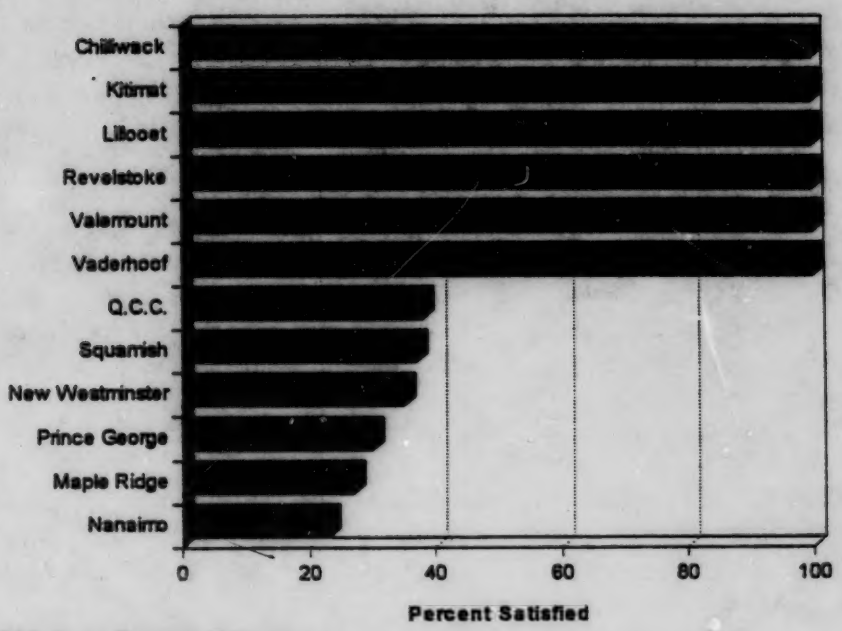
FIGURE 2. CUSTOMER SATISFACTION WITH STAFF AND OFFICE ATTRIBUTES OF GOVERNMENT AGENTS



SOURCE: Coast Research Resources

NOTE: Satisfaction was rated on a 5-point scale: 1=not at all, 2=slightly, 3=moderately, 4=very, 5=completely satisfied. Very Satisfied and Completed Satisfied ratings were combined to produce this figure.

FIGURE 3. CUSTOMER SATISFACTION WITH STAFF AND OFFICE ATTRIBUTES OF GOVERNMENT AGENTS



SOURCE: Coast Research Resources

NOTE: Satisfaction was rated on a 5-point scale: 1=not at all, 2=slightly, 3=moderately, 4=very, 5=complet satisfied. Very Satisfied and Completed Satisfied ratings were combined to produce this figure.

HIGHLIGHTS OF B.C. ACCESS CENTRE REVIEW
By Campbell Goodell Consultants Limited,
Conducted in April, 1992

- Customer satisfaction appeared to be very high, with about 85% saying the service is good or excellence. Notable improvements in services levels in recent years were reported by 25% to 30% in Access Centre communities and 15% in Government Agents communities.

- The clients were highly satisfied with the attributes of government agent staff with respect to friendliness, knowledge, and accuracy.

- Similar to the findings from the survey study of *Client Satisfaction with services, Staff, and Office Attributes within Government Offices in British Columbia* conducted by Coast Research Resource, a sizable proportion of respondents indicated dissatisfaction with regard to the availability of parking. 54% of the respondents rated Parking as poor or only fair. Nanaimo, Prince George and Vernon were among the locations where the lowest satisfaction was reported.

- In addition, about 20% of those surveyed rated the convenience of location as poor or fair; one-fourth were not satisfied with the time they spend waiting in line; and one-fourth to on-third said they were not completely comfortable concerning confidentiality.

- For future directions, one-fourth to one-third believed that the office should open later on weekdays and on weekends; about 45% of people felt that five minutes is a reasonable length of time to wait; and payment by personal check is important to 30-40% of customers surveyed.

3.0 EVALUATION AND ANALYSIS OF THE CURRENT MODEL AND ACTIVITIES

3.1 RELEVANCY

a. Government and Ministry priorities

Government objectives/priorities for 1994-5 are slightly modified from those established for the 1993-4 fiscal year. It is important to note that the ranking of services carried out by the Government Agents was based in part on the 1993-4 objectives of Government. It was important to relate the priorities for both years to determine whether or not the rankings still hold against the objectives of 1994-5. The 1994-5 objectives are as follows:

- To maintain economic strength in the regions; (Previously 'Strengthening the Regions')
- To develop a strong and sustainable provincial economy;
- To promote equity and fairness for all British Columbians; (Previously 'Promoting social equity')
- To Continue the renewal of British Columbia's health care system; and
- To redefine government

For the purposes of this report these objectives will be treated as the same as those for 1993-94. The survey information gathered regarding delivered services carried out by the Government Agents used these categories to determine the relationship to the priorities of government. If the changes to the priorities had been significant they would have invalidated the findings of the earlier study. It is our view that the changes do not affect the basic thrust of the objectives and may be considered to be the same for the purposes of this report.

Ministry priorities include the future addition of the Government Agents into a business information delivery service. This will require careful articulation with the existing partners in the delivery of business information. Other options for closer liaison with the Ministry include increasing services to tourism and the small business sectors and offering services in the field of culture.

b. Client Ministry demand/expectations (Based on interviews with 12 key ministries.)

Overview:

There is generally a high level of satisfaction with the services delivered by the GAs. The following quotes are in response to the question, 'Are you satisfied with the current service you are receiving from the Government Agents?'

"Almost without exception we are satisfied with the current services we are receiving from the Government Agents."

"Yes, we are highly satisfied. We get really good cooperation from the Agents. They are of significant value to us as without them regional operations would be in difficulty, that is why we are going to be looking to an increasing reliance on them to meet our service demands from their geographic areas."

"Their customer focus is very good."

"We are absolutely satisfied with the current services and they are getting better!"

"Government always has a responsibility in remote areas. One person representing many. The cost savings are obvious. For example we don't want to pay for an office in Smithers or Creston."

" We are definitely getting good value from the Government Agents!"

" We are happy to be working with the Government Agents. They are nice people to deal with. They are very responsive. Give them a B+ rating.

" Yes, they do a good job for us out there."

" Yes.... We feel some of our clients prefer to use the GA offices instead of other means of payment, as they can interact with a person."

" We are generally well satisfied with the service and feel that they are effective. They take a very professional attitude towards their service and are highly cooperative and helpful to deal with."

Specific Issues

However, within that overview there are some specific problems that may guide our decisions.

1. **Increased technical demands** of some work points to a reduction in decision making by the GAs in certain areas. Two ministries indicated that the nature of some of their work was becoming highly complex, particularly in the area of environmental assessment in areas such as mineral titles. They indicated that the amount of training necessary to keep GAs up to date with the technical information might not warrant continuing to leave the complete task with them. They indicated that the work of the GAs was still highly valued and that the number of times where the work would need to be passed back to the line ministry was limited. The following examples apply:

- The Mineral Titles Branch of the Ministry of Energy, Mines and Petroleum Resources has indicated that the technical requirements surrounding the assessment and adjudication of certain requests will no longer be able to be handled by Government Agents. The degree of training needed to keep current would be excessive. They see a future in which the GAs continue to solve problems for the Branch. However, in those cases where a high level of specific training is needed they see the GA receiving the applications and forwarding them to the Mineral Titles Branch for assessment and adjudication.

- The Water Management Division of the Ministry of Environment, Lands and Parks has indicated the following:

  "Due to the low-volumes, the resources required to continue educating the staff in the over 60 Government Agents offices on the impact of legislative changes may not be cost effective. The Government Agents Strategic Directions Initiative may provide a means to redefine the role of the Government Agents offices in the processing of Water Licenses."

  "Our work is becoming more complex. It will be a challenge for them to keep up with our needs."

These two examples point to an increase in specialization in some areas which will likely lead to a changed role for the Government Agents. It would appear to point to receiving, checking for accuracy and completeness and forwarding the information to the appropriate line ministry technical experts in the most complex cases. At the same time these comments do not cover the extensive time spent with miners on issues such as the investigation of current claims standings, gathering information, obtaining free miners licences, purchasing necessary

supplies and maps and the many other tasks undertaken on behalf of a miner preparing to go the field.

2. **Incompatible and out of date computer equipment** was cited as a growing problem from a cost efficiency and effectiveness point of view:

> "The technology and systems available to GAs does not meet the standards that are required by our ministry today. Printers are particularly out of date. Programs are incompatible. Problem we encounter with the GAs is that they use their system and not ours."
>
> "We are definitely pursuing the use of a plastic card for scanning and payment for licenses."
>
> "The present methods of payment are not as advanced as they could be. Credit cards etc. could be used. In our offices you can pay directly by credit card or direct debit method. In GAs they cannot."
>
> "On Vancouver Island we have a pilot computer project where the customer can purchase their permit via computer and modem through BC Online. If GAs had access to the computer system, and the customer had an account with BC Online, they could come in and purchase a permit from the GA office if they didn't have their own computer."

3. **Technology** was viewed by many in the client ministries as **having great potential** for the delivery of services by the Government Agents.

> " New information systems will enable the GA offices to have much more direct and timely information. They will be able to provide better service to their clients and to the communities."
>
> " In the future they should be able to be the receiving point for all vital information."
>
> " The GAs should move to a more flexible platform quickly and be able to put others on line as quickly as possible..... Important to use BC Online - they could provide an internal carrier on a fee for service basis."
>
> " The technology to handle our registry will soon be available from BC Online."
>
> " If the GA had access to the computer system and if the customer had an account with BC Online they could come in a purchase a permit from the GA office."
>
> " Dramatic changes are needed in technology and they are possible."

" GAs need computers--they only have dumb terminals now."

4. Concern that the recent reorganization has made **communication more difficult** was a common topic amongst the client ministries.

" Recent Government Agent reorganization seems to have affected their service delivery end and is not compatible with the rest of the ministry activities. The small business end takes the focus and the service delivery end seems to be a poor cousin."

" They have a quasi-central model and a regional model. We are uncertain as to the system. Normally we would work with the headquarters and they would deal with the regions. Regional heads now deal with the GAs."

" Lately we have been wondering 'who speaks for the GAs?' They seem to be identifying more with their region and not with the whole. We are used to dealing with a single entity."

" A problem lately has arisen in that the GAs seem less responsive. They seem to want us to conform to the way they want it done rather than the other way around. 'We are after all the client.' Is it a problem of the lack of middle management?"

" Would like to see the allocation of resources on a central basis. They did not appoint a person critical to our service because they didn't have the resources in their region."

" One of the key issues is the inconsistency of service from one area to the next."

5. The **cost effectiveness of Government Agents** was generally considered to be **good to excellent** on a subjective basis. It is interesting to note that when asked about their unit costs key ministries either did not have or were unwilling to share the information. In a 2 cases negative opinions regarding cost were indicated.

Cost Effectiveness

" We have evidence that they are a cost effective means of delivering our service. We could demonstrate that it would cost us much more if we were to try to deliver the service on our own."

" The tenure system they deliver for us is a living example of a cost effective service. They can handle a client quickly and handle their work in short order."

" They deliver very good and cost effective service....We like the current system."

" I think the GAs are probably cost effective....It just makes no economic sense to open an office in some towns where the demand justifies less than 2 FTEs. Also when we open an office we have to consider substantial capital costs, e.g. space, secretarial, equipment etc."

" It just makes sense that it is must be more cost efficient to deliver a coordinated service to small communities through a central location like the Government Agents as opposed to having each Ministry providing an on-site service dedicated solely to their area."

" I don't have any specific evidence, however, it would be a logical assumption that they are."

" If we were asked for a fee for service basis we would probably go to the private sector because it is cheaper."

" In some areas think they are not cost effective. the way they have the office set up. For example, most of them are the same, there is a lot of space where the customer stands - usually empty or partially occupied. As a taxpayer I don't appreciate the wasted space!"

Unit Cost

" We do not have any comparative studies. There has been no impetus to do so since there are no charge backs."

" We do not have the necessary information to make these comparisons. we have not calculated any costs per service transactions for our store front operations as a baseline for comparison with other modes of delivery like the GAs."

" We have no evidence to comment on the cost effectiveness of the services provided to the Ministry by the GAs....and are not looking at cost comparison studies."

It is interesting to note that of the 5 ministries who are major clients only one was able to produce any relevant information. In that case the data was woven closely with the costs of the Government Agents and did not allow for any comparisons to be made. Efforts are under way to gain information from treasury board on costs per transaction or costs per minute of the client ministries in key service delivery areas. At this time data is not available. During meetings with client ministries the figure of $9.00 per transaction was mentioned. Other staff members from the

ministry immediately stated that the figure was not confirmed. Later information indicates that MVB pays $9.00 for every original or renewal Drivers Licence, $7.00 for renewal or replacement licences and $5.00 for fine payments to private insurers to deliver the service. This area needs work throughout government. Costs per transaction or costs per minute of service delivery for key service deliveries are needed to ensure that the most cost effective methods of service citizens are in place. In the absence of such information it is difficult to compare services. An effort to reach agreement on the components that are to be included in the costing of services would be an excellent first step. Annual, systematic analysis of the costs per transaction and/or the costs per minute for all major service delivery functions should be implemented.

6. Concern, expressed by client ministries, that some GAs seem to indicate that they will **deliver the service of the Client Ministry their way**. This is very unpopular with the client ministries and is unacceptable. The following quotes indicate the concern:

> "We think that the role of the Government Agent must been seen as an extension of the Client Ministry. Along with the need to be an extension of the client ministry they must operate under the same rules. They do not have the authority to do things outside the client ministry rules. We want a seamless service whether in the client ministry or GA offices. The view that we are the GA and we will do your business our way is very unpopular with the client ministries as well as unacceptable. The result will be that if it is a continuing problem we will remove our services."

> "One of the key issues facing client ministries is the inconsistency of service from one area to the other. In some locations the GAs office is very willing to help while in others it is negative and indicates a 'who cares' attitude."

On the other hand, the 'service quality' ethic of the Government Agents results in a strong desire to place the customer first. Rule and regulations tend to be 'bent' to meet the service needs of the client. This issues was dealt with later in the paper following a meeting with the client ministries.

c. Longstandingness of Service Delivery by GAs.

The Government Agents and their offices constitute a decentralized administrative system unique in Canada to British Columbia. Initially, the system was an innovative response to the difficulties of bringing law and order to a scattered population in a remote and uncompromising landscape. It was modeled on similar offices developed for the Indian Sub-continent and former British possessions in Africa where the Government Agent, the Collector and the District Officer, respectively, discharged responsibilities comparable to the British Columbia Agents. The parallels between the North American agents and these

officers of the British Colonial Service are historically significant. Similarly, the Government Agent has been a Prefect in the French sense.

It would be no overstatement to submit that the majority of urban British Columbians hardly know that the Government Agents exist. Since 1858, the agents have always been a vehicle for bringing the isolated areas of the province closer to their government. Victoria has never had a Government Agent office and the Vancouver office, which closed in 1983, was historically an extension of the Treasury Branch and not a multi-service office. The small size of this predominantly rural agency belies its importance.

The agents role, while not as vital as it once was, has remained substantial. The agents, for example, funnel hundreds of millions into the provincial bank account for the Finance Ministry. They were, to cite another example, the first Gold Commissioners and Sub Recorders and Registrar of Births, Deaths and Marriages and Registrars of voters and still perform these functions in many communities. They still control the issue of hunting and fishing licenses and provide program information tasks as varied as selling government publications and dog licenses. They have also, since Confederation, provided numerous services to government such as processing vouchers, issuing cheques locally and overseeing the operation of government buildings where required. Their statutory appointments remain significant and in most communities many and varied.

The Government Agents also have been used historically, as recently as 1986, to implement or co-ordinate new, experimental initiatives. The agents were the first government agency to administer vehicle licenses, hospital insurance, automobile insurance for the new Insurance Corporation of British Columbia, the distribution and sale of Western Canada and Olympic lottery tickets, the collection of B.C. medical plan premiums, to name only a few. Although it would be disputed by many contemporary bureaucrats, the agents are seen by many British Columbians as 'the official representatives of Government' at the local level. In sixty communities across the province, the Government Agent is, as were their predecessors for more than a century, broadly identified as the officer from whom thousands of British Columbians have sought the various services of the state.

d. Customer expectation/demand

Two approaches are being used to determine the nature of the customer expectations and demands.

1. Omnibus Survey: A sequence of fifteen questions were included in an omnibus survey of public opinion in B.C. that would determine the knowledge and attitude of citizens regarding Government Agents.

2. On Site Survey: 20 on site customer exit surveys were conducted in 3 Micro offices, 3 small offices, 5 medium offices and 4 large offices during May and June.

Omnibus Survey

The B.C. Omnibus survey conducted on April 10, 1994 contained 15 questions relating to Government Agents. A total of 602 respondents were contacted. Of that groups 325 (54%) were in the Lower Mainland and 100 (16.6%) were from Vancouver Island. 177 (29.4%) were from the Okanagan, Kootenays and the North.

The distribution of the respondents seems to parallel the familiarity with the services of the Government Agents. 152 (25.2%) respondents indicated they were 'very familiar' or 'somewhat familiar' with the services of Government Agents. 296 (49.2%) indicated that they were 'not at all familiar with the services'. A further 147 (24.4%) said they were 'not very familiar' with the services. 122 (20%) respondents of the 602 total recalled having visited a GA office, made an inquiry or obtained a service in the past two years.

The following is a list of features which the 118 respondents who had obtained a service indicated they liked about the service:

•	Friendly/helpful/courteous service	45	38%
•	Got needed info/knowledgeable staff	25	21%
•	Quick service	19	16%
•	Efficient, professional service	13	11%
•	Good service (NEC)	13	11%
•	Clean, nice building	3	2%
•	Other	21	18%
•	Don't know/refused	17	14%

The following is a list of features the 118 respondents who had obtained a service disliked about the service:

•	Long line up/slow service	21	18%
•	Lack of information	6	5%
•	Employee attitude	6	5%
•	Not treated properly	6	5%
•	Poor phone service	4	3%
•	Cost of service	4	3%
•	Other	12	10%
•	No, nothing	60	51%
•	Don't know	8	7%

It is clear from those who are familiar with the services that their positive comments far outweight their negative comments. The worst individual problem is the long line up and the resulting slow service which was mentioned by 18% of

those who had used the service in the last two years. On the other hand 51% of the respondents felt that there was nothing wrong with the service.

40% of those who were 'very or somewhat familiar' with the services of Government Agents rated the value of their services when compared to other Provincial services as excellent or good value. 48% rated Government Agents services when compared to other Provincial services as 'fair or poor value'. When those who were 'not very or not at all familiar' with the service were asked the ratings fell to 17% at excellent or good value and 51 % 'fair to poor value'.

On Site Exit Surveys

299 exit surveys concerning Government Agent services were completed in the following offices:

a. Micro Offices	Ganges, Kitimat, Fernie
b. Small Offices	Trail, Terrace, 100 Mile House
c. Medium Offices	Cranbrook, Quesnel, Pt. Alberni, Salmon Arm, Smithers
d. Large Offices	Chlliwack, Kelowna, Nelson, Prince George

The purpose of the survey was as follows:

- To determine the level of customer satisfaction with the various services provided through the Government Agent offices.
- To identify those services that are most important to the customer.
- To identify alternate methods of service delivery in ways that would be acceptable to the customer.
- To identify additional services that customers would be interested in receiving from Government Agent offices.

The survey was conducted in May and June, 1994. EDUCOM International Inc. hired interviewers to conduct on site, structured interviews as the method of data collection.

Key Findings:

- The survey indicates that the most frequently used services include property tax (45.1%), Motor Vehicle Branch (24.8), and MSP (10.5%) payments. (The timing of the survey resulted in the high property tax payment %)

- Only 36% of the people could think of an alternative method of payment.

- 58.1% used the service 1 to 3 times a year.

- When customers were asked to rate specific services, "Very Satisfied" and "Completely Satisfied" responses ranged from 95.5% for Mining to 89% for Driver liceses and motor vehicle. (See Figure 4)

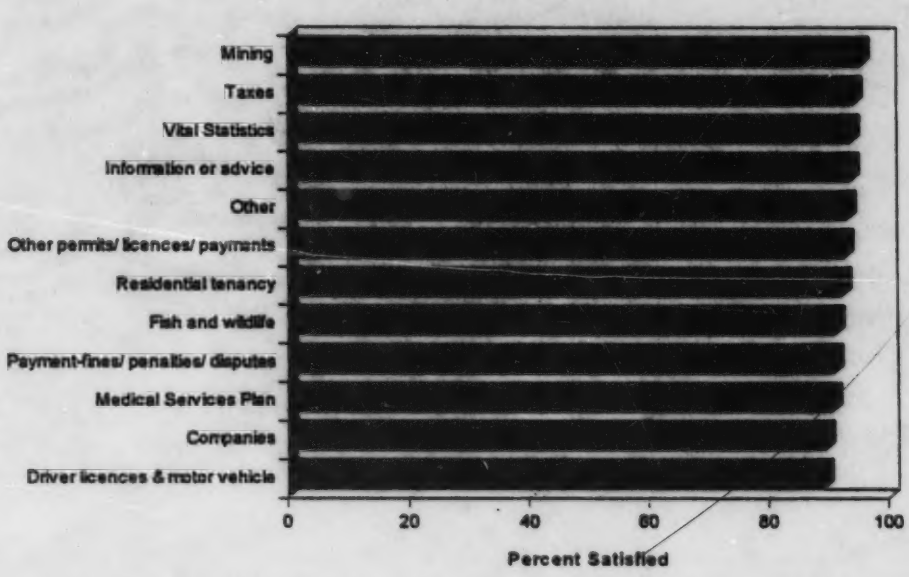
- 95% of the responses indicated that the Government Agents service was as good as or better than those of comparable services. A majority of respondents also felt that the services were better or much better than other Provincial Government, Federal Government, Crown Corporations and private sector (e.g. Banks) services.

- When customers were asked to rate the attributes of staff and facilities, "Very Satisfied" and "Completely Satisfied" responses ranged from 97.3% for Helpfulness to 69.5% for availability of parking. (See Figure 5)

- Overall the percentages of satisfied customers are higher in this study than in the 1992 study carried out by Campbell Goodell Consultants.

(Appendix G contains the full study.)

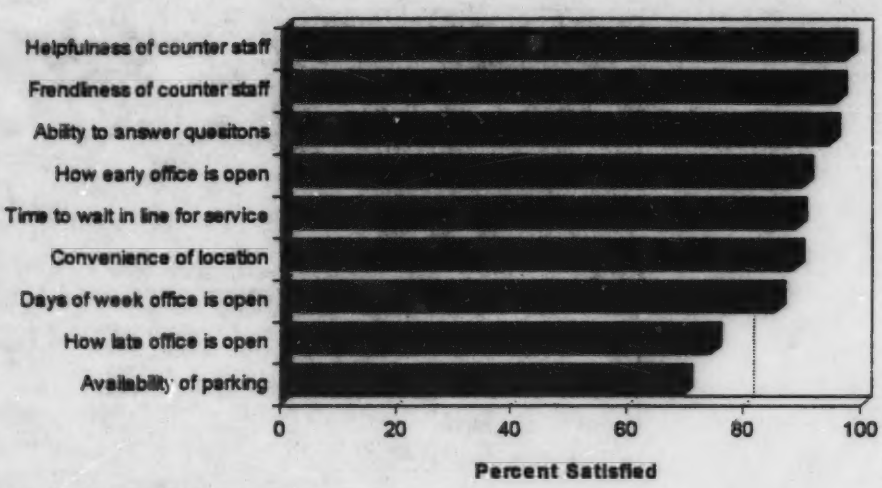
FIGURE 4. CUSTOMER SATISFACTION WITH SERVICES PROVIDED BY GOVERNMENT AGENT OFFICES



SOURCE: Coast Research Resources

NOTE: Satisfaction was rated on a 5-point scale: 1=not at all, 2=slightly, 3=moderately, 4=very, 5=completely satisfied. Very Satisfied and Completed Satisfied ratings were combined to produce this figure.

FIGURE 5. CUSTOMER SATISFACTION WITH STAFF AND FACILITIES OF GOVERNMENT AGENT OFFICES



SOURCE: Coast Research Resources

NOTE: Satisfaction was rated on a 5-point scale: 1=not at all, 2=slightly, 3=moderately, 4=very, 5=completely satisfied. Very Satisfied and Completed Satisfied ratings were combined to produce this figure.

3.2 COST EFFECTIVENESS

Background Information (Definition)

The complexity of determining cost-effectiveness requires an understanding of the issues involved in creating the information necessary for judging cost-effectiveness. This initial discussion is presented to highlight the issue and to point out the complexity of making judgements in the area.

Public programs are traditionally evaluated against a number of criteria. Cost effectiveness is one of those criteria. Other possible criteria are relevance, efficiency and appropriateness.

In simplest terms cost-effectiveness is the relationship between cost and effectiveness. A program may be very effective (i.e. it achieves its intended results) but the method used may be expensive. A program may be inexpensive but not very effective. Therefore, judgment about the cost effectiveness of a program requires an assessment of effectiveness relative to cost. For example, a home owner asked for bids to put mouldings around the ceiling of his dining room. Two bids were received one for $800 and the other for $500. The $800 dollar bid was selected because the home owner knew the work of the contractor to be of high calibre. He was not familiar with the work of the other contractor. Was this a cost effective decision? The answer is that it depends on the goals of the service.

Cost-effectiveness is hard to measure in absolute terms -- unless the program is clearly ineffective or excessively costly. The effectiveness of a program can be measured against predetermined expectations of programs results and, in some cases, cost can be measured against a reasonable standard. In most cases, however, the cost-effectiveness of a public program can only be evaluated by comparing it to the alternatives available in either the public or the private sector, or to the impact of eliminating it altogether.

Therefore, the cost effectiveness of services provided by government agents must be discussed in steps:

*Are the services effective? Do they achieve the results intended by the client ministry? Do they meet the needs of the customers? Are the procedures reasonable? (Typically, the answers to these questions will not be yes or no but a matter of degree).

* What is the cost of delivering the service including all direct and indirect (overhead) costs. Overhead includes the headquarters and regional staff costs. Costs should be related to an activity, an output or a client base. (e.g. cost per transaction; cost per capita).

* Is the cost reasonable compared to common sense yardsticks (such as the amount spent to collect $1 in revenue) or to the cost of a similar program or a similar delivery mode? Our research indicates that some of the services which do have cost per service figures such as Enquiry B.C., are not for similar services and would result in comparing "apples and oranges".

* Could the service be more efficient or effective at little or no increase in cost?

* How else could the service be delivered? Are the alternatives equally costly but less effective. Alternatives could include:

- Direct Mail
- Telephone Payments
- Stand-alone offices for client ministries
- Banks and other private or public agencies
- Not delivering the service at all

The most appropriate alternative will vary with the client ministry.

- If the alternatives are less costly but less effective, a judgment is required on the trade-off between cost and service.

- What cost would be imposed on customers by removal of the service?

In practice, cost-effectiveness is very difficult to measure with any degree of precision. Information, on the cost and effectiveness of alternatives is often not available. Therefore, at the end of the day, cost-effectiveness comes back to a judgment about the cost relative to the effectiveness.

Overview of Information Gathered to Date.

An effort was made to determine if 5 key ministries that are major users of the Government Agent services had developed information on the cost of delivering their services within their ministries. Four of the five (Finance, Vital Statistics, Medical Services Plan and Motor Vehicle Branch indicated that they did not have information on that topic. The fifth, the Fish and Wildlife Branch of the Ministry of Environment, was able to produce a breakdown of costs for issuing hunting and angling licenses. However, their costs included the costs of the Government Agents who assist in the delivery of the service and thus was not useful for comparative purposes.

Government Agents Cost Per Transaction

In the absence of information from key client ministries it was felt that the cost of service delivery should be worked out for Government Agents based on the

volumes and times gathered in the Revenue, Non-Revenue and Administration/Community Service information.

The following material contains a number of assumptions that should be noted:

- Non-Revenue transactions information was gathered during a slow period therefore projections for the Non-Revenue were increased by 50% to represent an average monthly transaction rate. A second sample will be taken in a traditionally 'busy' period to confirm this assumption.

- Revenue - The fish and wildlife transactions by sub issuers were assumed to be the total number of sub issuer transactions for the sample period. Even though there are transactions carried out by other sub issuers this assumption should be balanced by the fish and wildlife transactions carried out by the GAs.

- Administration/Community Service figures were increased by 10% to reflect a more detailed analysis of the services carried out in the Nanaimo Region.

A. TRANSACTIONS

1. **Revenue Transactions (1993 data - 1994 data shows 30,000 more trans.)**

Total	=	2.567 million
Sub-Issuer	=	1.017 million
Net	=	**1.549 million revenue transactions**

2. **Non-Revenue Transactions (Data gathered Feb. & Mar 1994)**

Based on sample of 20 working days:

Total transactions = 74,902

There are 250 working days [52 x 5 minus 11 stat holidays plus 1 for leap years] in the year.

Therefore, estimate total annual transactions = 936,275

Increase estimate by 50% for 'slow season' during sample = **1,404,412**

B. TIME

1. Total Hours Available

Staff FTEs in Offices	=	316
Less Management FTEs not available for direct customer service	=	25
Equals net FTEs available	=	291

Paid days per FTE	=	(52 x 5 + 1)	= 261 days
Paid hours per FTE	=	261 x 7	= 1,827 hours

Worked days are less than paid days. Allow 20 days vacation, 11 days statutory holidays and 7 days sick and other leave.

Worked days per available staff	=	261-38
	=	223
Threfore, available hours in total	=	223 x 7 x 291
	=	454,251
less breaks	=	0.5 hour per worked day
	=	32,415
Net total available hours per year	=	**421,805 hours**

2. Administration/Community Service

Hours	=	14,282 hours based on 20 day sample
	=	177,811 hours per year

Note: Some of these hours may be questionable (e.g. leave)

Increased by 10% to reflect analysis of Nanaimo region = **196,378 hours**

3. Non-Revenue Transactions

Based on sample of 20 working days	=	182,488.87 minutes
	=	3,041.5 hours
In 250 working days	=	38,019 hours per year

Increased by 50% for 'slow season' during saple period and analysis of Nanaimo region.

Estimate of time = **57,028 hours per year**

Average of 2.44 minutes per transaction

4. Sub-Issuer Transactions

Some time spent on sub-issuer transactions (i.e. on the mangement of sub-issuers). Based on analysis of Nanaimo region we estimate 0.5 minutes per sub-issuer transaction.

Therefore, sub-issuer transaction time = 1,017,313 x 0.5 minutes

= 8,478 hours

5. Revenue Transactions

(a) Method One

Hours on Revenue Transactions = Total hours available less hours on admin/community, sub-issuers and non-revenue transactions.

= 421,805 - (196,378 + 8,478 + 57,028)

= **159,921 hours**

This is approximately 7 minutes per transaction

(b) Method Two

Using estimates of time per transaction from the Nanaimo Region (where a simple comparison is possible) and the nuber of provincial transactions per year (see Table 17):

Hours on Revenue Transactions = 154,129

TABLE 17 NUMBERS AND ESTIMATED TIME ON REVENUE TRANSACTIONS

	1993 Transactions	Avg.time pertxn (min.)	Estimated Hours
Forestry	6796	6	680
Vital Stats	54237	7	6328
MSP	187587	4	12506
MVB	555071	6	55507
Property Tax	164983	5	13749
Companies	27884	6	2788
Land Titles	21726	5	1811
Consumer Tax	67590	6	6759
Water Manage.	5426	6	543
Other	458225	7	53460
Total	**1549525**		**154129**

C. COSTS

Total Costs =Government Agents $18.8 Million
Regional and HQ 1.0 million
Systems and Revenue and Banking 1.0 million

Low estimate = 18.8 million

High estimate = 20.8 million

Therefore cost per hour worked in the GA offices (low estimate)

= $18.8 million / 421,805 hours

= $.74 per minute

The high estimate is $.82 per minute.

D. SUMMARY

TABLE 18 SUMMARY OF TRANSACTION, TIME, AND PER TRANSACTION COST

	Transac-tions	Hours	Time per Transactin (Minutes)	Cost per Transactin ($)
Revenue	1,549,525	159,921	6.19	4.58 - 5.08
Non-Revenue	1,404,412	57,028	2.44	1.81 - 2.00
Sub-Total	2,953,937	216,949	4.41	3.26 - 3.62
Sub-Issuer	1,017,312	8,478		
Admin/Commty		196,378		
TOTAL		421,805		

E. ALLOCATION OF COSTS TO MINISTRIES

The approximate allocation of Garms and Non-Garms costs based on revenue transaction volumes is shown in Table 19:

TABLE 19 ALLOCATION OF GARMS AND NON-GARMS COSTS

	Revenue Transactions Percent of Total	Allocation of Costs of Costs, Low Estimate ($Million)
Forest	0.5%	$0.04
Vital Satistics	3.5%	$0.34
MSP	12.1%	$1.17
MVB	35.8%	$3.46
Property Tax	10.6%	$1.03
Companies	1.8%	$0.17
Land Titles	1.3%	$0.14
Consumer Tax	4.3%	$0.42
Water Management	0.3%	$0.03
Other	29.7%	$2.86
TOTAL	100.00%	9.67

Notes:

1. Allocated costs based on 51% of Government Agent costs. (Admin/community transactions account for 47% of Government Agent time and management of sub-issuers 2%.)

2. Excludes Fish and Wildlife transactions.

Limitations

A caution regarding the analysis relates to the fact that the Non-Revenue and Administration/Community Service figures were collected for the first time during this study. Some further refinement of the data collection methods and the categories is being worked on for the second collection period. The baseline data has provided an excellent beginning to the process of determining costs per transaction minute. Further work is under way to determine average times per transaction for the various services. This data has been collected for non-revenue services for the first time during this period. Earlier studies contain information on the time per transaction. However, confirmation of this data is necessary to create a sound base.

Cost to government without GA delivering services - assumes same services delivered, at same quality, by each client ministry.

The lack of information from ministries regarding their costs of delivery makes it difficult to build a clear cost comparison model. However, a number of subjective comments from client ministry personnel point to their view that the cost would be higher than if the GA delivered the service. (See P. 42 - Cost Effectiveness section under the Client Ministries expectations for the comments.)

At the same time there is opinion based support for the cost effectiveness of the service delivery of Government Agents, there is also growing concern that their lack of modern technology is resulting in the best service possible not being delivered. (See P. 41 on 'Incompatible and out of date comuter equipment.)

At least two of the client ministries indicated that if there was a charge implemented for the delivery of the service that they would look to the private sector for competitive prices. In both cases they felt that the private sector could deliver the service more cheaply than the Government Agents. However, recent data indicates that MVB payments to private insurers to deliver new and renewal drivers licences and for fine payments are greater than the cost of delivery by GAs. The estimated average time per transaction for MVB services by GAs is six minutes. The cost per service minute is $.82. The cost through GAs is $4.92 per

transaction. Payments by MVB to private service delivery agencies are $9.00 for original or renewal driver's licences, $7.00 for duplicate or replacement driver's licences and $5.00 for fine payments. All of which are higher than the cost of delivery by GAs.

Quality of service implications if services are withdrawn locally or reduced.

Most client ministries value the service highly. (See comments of client ministries in the earlier sections.) They believe it allows them to give face to face service in many areas of the province which they could not afford to service. Recent requests for service by the GAs from the client ministries reinforce the importance of the regional delivery structure and the importance client ministries place upon the service. Two specific examples of client ministries requesting additional services are cited:

- The Medical Services Plan has recently had a study completed on their service. It indicates that the service in the more remote areas of the province is inadequate. At present they are considering a request to the Government Agents to provide more direct service on their behalf. The Ministry of Health is engaged in regionalizing their services throughout the province. Yet direct service for MSP is handled primarily through the centre in Victoria. It was felt, that for them to be consistent, that they would have to find a mechanism to deliver services to remote communities. One of their prime options is to utilize the Government Agents.

- The Security Programs Division of the Ministry of the Attorney General has a request before the Government Agents regarding their collection of applications/revenue for Security Employee licensing. The licenses include private investigators, locksmiths, security patrol guards, security consulting, armoured car service and alarm service.

A common reaction from the client minstries during interviews was that they would be unable to deliver the services effectively if it were not for the GAs. An example of a service provided recently by the GAs was the distribution of the Forest Practices Code for the Ministry of Forests. Heavy demand existed in those areas of the Province which are based in forestry. The GAs were able to act as a clearing house for the information. While other procedures are available, this proved to be the quickest and most effecient manner of getting the information out to all interested parties. Such services for ministries occur not only for 'one time' efforts such as the above but also for the many ongoing programs of a wide variety of ministries.

There would clearly be a reduction in quality of service if the service was reduced or eliminated. One of the priorities of the Provincial Government is to promote equity and fairness for all British Columbians. The face to face delivery of services

to citizens in many communities of the province depend upon the presence of Government Agents. The links that they have with the various ministries, along with their knowledge of the local communities provide a sound basis for two way information flow that assists in ensuring that the regions maintain their economic strength. The regional delivery of MSP services would also provide the Ministry of Health with a means of improving service in the regions in their quest for renewal of the health care system. The Government Agents are positioned to assist the Government to achieve three of their priorities, equity and fairness, economic strength in the regions and renewal of the health care system.

Economies of Scale

The Government Agents provide an opportunity for Client Ministries to maintain face to face delivery of service in communities where the service needs do not warrant the establishment of an office to deliver the service. The Motor Vehicle Branch indicated that:

> "It just makes no economic sense to open a MVB office in some towns where the demand justifies less than 2 FTEs. Also when we open an office we have to consider substantial capital costs, e.g. space, secretarial, equipment etc."
>
> (N.B. The MVB looks to private insurance agencies to act on their behalf in a number of smaller communities.)

A second example of service delivery through the GA offices which highlights the value of delivering service through the GAs is the Postal Service. It is estimated that the service provided to B.C. Mail saves $2.1 Million per year.

The fact that the Government Agents offices already have paid for the basic overhead costs of their offices means that service can often be provided on the basis of the time of the staff taken to carry out the task and the % of the space used to carry out the service. Repeated comments by client ministry personnel pointed to the economies found in this area.

A study on the "Cost Effectiveness of Stand-Alone Ministry Offices Compared to Government Agent Offices" indicated that only Motor Vehicle Transactions in some of the larger offices would be as cost effective. The following table shows the annual revenue transaction volumes that stand-alone offices (of different staffing levels) would have to process for them to be as cost-effective as Government Agents offices.

TABLE 20 REVENUE TRANSACTIONS FOR COST EFFECTIVENESS

Number of FTE Staff	Volume of Revenue Transactons
2	19,300
3	29,000
4	38,600

The calculation of the revenue transaction volumes is based on the following assumptions:

- The ratio of effective counter time to paid staff time is 72%, the same as GAs.
- The average processing time for revenue and non-revenue transactions is 4.4 minutes, the same as our estimate for GAs.
- There are 90 non-revenue transactions for every 100 revenue transactions, the same as GAs.
- The stand alone Ministry office would have no other functions. It would not have the administration/community functions of a GA office.
- The annual operating cost per FTE is the same for the Ministry office as a GA office. Start-up costs are ignored.

These transaction volumes are clearly impossible in small towns. They are also impossible in the larger towns served by GAs exept for the Motor Vehicle Branch, as the following table shows:

TABLE 21 REVENUE TRANACTIONS

	MVB	MSP	Property Tax
Nanaimo	37,585	8,033	6,731
New Westminster	2,477	7,577	5,295
Prince George	48,748	10,658	7,471
Kamloops	45,348	4,351	5,307
Kelowna	61,764	10,330	7,907

Therefore, for most Ministries a stand-alone office would be a less cost-effective alternative than a GA office unless the office is performing additional functions or the office is providing a higher level of service than is possible through a GA office.

(See Appendix J for the full study.)

3.3 EFFICIENCY

3.3.1 Technical resources available in offices to provide services

The government agents provide an efficient service for the public with their one stop service to government. An individual can, in one visit, use multiple services and this can be done transparently to the person.

This section focuses on areas where inefficiencies have been reported or observed. This focus is not meant to emphasize the inefficiencies but to point out some of the areas where improvement could be made. These improvements will usually result from a combination of

- changing or eliminating some business processes
- providing more education
- use newer or different technology

Examples

Customer perspective. Normal service is provided by having an individual visit the government agents office in prime time to be served at a counter and often waiting in line. For some people this is quite inconvenient. Two current pilots provide examples of a more efficient and effective approach.

- Vital Stats is taking applications for documents directly from hospitals and funeral homes. There was concern expressed by some GAs that the turn around time for Vital Stats is 5 to 10 days for services provided by the GAs in one day.

- Municipal Affairs Safety Inspection Division have enabled contractors to acquire permits by remote access with a personal computer.

Any facilities that provide for direct customer use offer potential for efficiency and effectiveness improvements.

At the same time it is noted that routine transactions are highly valued in rural communities by seniors. Other reasons for continuing to provide direct services include:

- problem resolution
- education of the customer
- preventative counselling

Customer perspective. The acceptance of only cash and cheques as payment methods limits the options for the customer in our emerging cashless society.

Government Agents perspective. The government agent performs a number of repetitive tasks that have very little added value. Examples of these tasks include answering repetitive questions and taking standard payments. If these tasks could be offloaded then more time could be spent on added value tasks.

Ministry perspective. Government agents collect information such as applications for MSP and then forward them to Victoria for processing. The forms are handled by both government agents and ministry personnel. If the updating was done directly in the Government Agents office it would be much more efficient from the client ministry's perspective.

Government Agents perspective. Many of the government agents offices do not have direct access to supporting computer systems. (e.g. Vax and Muncipal Affairs). To compensate, people use methods such as manual record keeping, phoning and faxing which involves extra effort and thus time.

Government Agents perspective. Handling and management of forms are a time consuming and frustrating job. This is especially true of inventory management and the coordination activities with the sub-issuers. There are opportunities for improvements.

Government Agents perspective. The handling of some financial transaction such as employee advances is very manual, paper intensive and slow.

System perspective. The lack of focus on training for employees in a very complex environment means that they will not be able to efficiently and effectively use the resources that are available. Training, for example on Garms has been sparse. A general concern has surfaced regarding the lack of follow up training with certain ministries.

System perspective. There is some major duplications of people's efforts and resources within the government agents offices. Examples of this include:

there is duplicate data entry between the Mohawk and Garms system
there are multiple sets of terminals to access the system

there are mulitple telecommunication lines
there are 2 help desks
A rationalization plan would improve efficiencies.

Government wide perspective. Government agents are in the unique position of viewing government not from a stovepipe or ministry perspective but from a cross ministry view and are then caught up in some of the duplication and redundancy of government as a whole. An example is a request for a change of address. This results in duplicate notification and update of the numerous ministry's address registers. Another example is the multiple definitions of the word handicap between the various acts and regulations. This causes duplications of work to administer the systems.

These examples are not things that are under the direct control of the government agents and are issues when viewing government as enterprise. The government agents have a unique view and would be in an excellent position to point out similar issues should a serious government wide initiative for efficiency and effectiveness be undertaken. An example of such a government wide perspective would be the interpretation of the definitions of handicapped.

3.3.2 Office Resources

There has been some discussion regarding the size of the Government Agents offices both within the Ministry of Small Business Tourism and Culture and amongst the Client Ministries. Two quotes may highlight some of the concerns:

> "Government Agents are not cost effective the way they have their offices set up. For example, and most of them are the same, there is a lot of space where the customer stands. The space is usually empty or partially occupied. As a taxpayer I don't appreciate the wasted space."

> "I don't think we have to look at giant offices any more. We should be looking to smaller offices in the places where they need them. Take the staff and put them in the malls and extend the hours to include evenings and weekends. In a recent survey 73% said they wanted extended hours and days of operation for Government Agent services."

A number of perceptions around the topic of office space focussed on the perceived size of the Government Agents offices. One of the perceptions was that the GA offices were large to provide for weddings to be held in them. Another perception centred on the cost of holding meeting rooms for use by other ministries or for visitors. Finally the comments involved the wisdom of holding offices for visitors. In all these cases it would appear that the perception and the reality do not fully match. In some regions they have been actively reducing their inventory. In others the use rate for such services as testing in meeting rooms seems to fully justify their existence. The most recent data available regarding offices does not reflect the actual state of visiting offices nor the use rate of meeting rooms. More current information would be valuable in establishing a better base for informing those who may be holding false perceptions of the office space.

At the same time there is a need to ensure that all space is fully needed and justified. The public face of the offices needs to be efficient and effective. Any perception that they are lavish or wasteful must be removed. Cooperative problem solving with client ministries to address any wasted space issues is important. In the final analysis BCBC should be contacted regarding the appropriate space allocation for GA offices.

The hours of operation are generally conceded to be too narrow to fit the needs of most customers. The challenge will be to negotiate with the various data base managers to extend the hours they are open for service. B.C. Online currently has their data bases open from 8:00 am to 8:00 pm weekdays and from 9:00 am to 4:00 pm on Saturdays. Similar opportunities to provided extended hours for GA offices would be appreciated. It was reported by some GAs that opening offices

without access to the data bases would only create frustration for both the staff and the customers.

One of the client ministries was concerned because they pay for full office space while only utilizing the space a small percent of each day. It was suggested that sharing of desk space and phones could realize some significant savings for both the client ministry and the Government Agents.

At the same time that concerns are being expressed about the size of a number of the facilities it is understood that each office must be looked at on an individual basis. Issues such as storage space for election materials and map supplies dictate the need for periodic use of space that is costly. It may prove in certain communities that the presence of a meeting room within the GAs offices is the most cost effective means of servicing a number of ministries.

The 1994 Building Occupancy charges found in STOB 65 indicate a wide variation in costs per FTE both between regions and between offices. The average cost per FTE is $12,234. The regional averages are as follows:

TABLE 22 1994 BUILDING OCCUPANCY COSTS PER FTE BY REGION

Region	Budgetted Cost per FTE
Nanaimo	$11,533
Kamloops	9,871
Prince George	10,056
Nelson	14,837
Terrace	19,505

Wide variations exist within individual regions. One region had a range from $19,047 to $3,733. It is not clear at this time why such large variations exist. However, careful review of the building occupancy costs with BCBC should be carried out as soon as possible.

3.3.3 Workload Imbalances

Workload imbalances need to be addressed. The Omnibus survey indicated that the most serious complaint customers had with Government Agents offices was long lineups. 36% of those who responded indicated they liked that aspect of the service the least. The next concern was only 10%. The lineups mirror a need to increase the capacity of the offices to deal with an increasing flow of customers

coming for services. The number of transactions per FTE in both the revenue and non-revenue areas also show significant differences exist between offices and between regions. In the revenue transactions the range is from 2,635 per FTE to 23,898 per FTE. These concerns are balanced with concerns for the delivery of service in areas where no alternative access to services exist. The resolution of these issues is important to the future health of the GA service. That task should be undertaken on a cooperative basis between personnel from the regions and the staff in Victoria.

3.4 EQUITY

There are two basic issues involved in the equitable delivery of service to clients. The first is the geographic distribution of the services and the second is the availability of service to 'equity' groups.

3.4.1 Geographic Distribution of the Service

The availability of Government Agents services throughout the rural part of the province is excellent. Services are provided in such remote locations as Atlin, Dease Lake, Chetwynd, Valemount, Fraser Lake, Sparwood, Nakusp and Ucluelet as well as the larger centres away from the Lower Mainland and Southern Vancouver Island.

Two issues come to the surface when considering the geographic distribution of services.

One client ministry was concerned that the locations of GAs was not keeping up with the changing demographics of the province. They cited the absence of services in Castlegar and Parksville as having required them to find alternative means of delivery. They suggested that client ministries be involved in determining whether offices should shift their locations, close or open new ones. The development of a cooperative model with client ministries to determine new locations along with an understanding that costs would be shared for the implementation of new offices would assist in addressing this concern.

The second issue is one regarding the consistency of service delivery. The Federal Government has begun an initiative which points to a single source of service for any aspect of federal ministries. The indicate that from a customer point of view a single window to the government is all that should be provided. Through that window all services should be delivered. If that model were applied to the Government Agents, consideration would have to be given to the opening of Government Agent offices in the Lower Mainland and Southern Vancouver Island.

It would be necessary to go back to the statements at the beginning of this paper to understand that a model must first be accepted. If that model is customer driven then the concept of a single point of contact for all government services makes sense. While there would be many issues and concerns with this model it should remain as the 'ideal' model for us to pursue.

The concept of Government Agents delivering services in urban areas was discussed at a meeting between the Working Committee and the Client Ministries. At that stage it was indicated that the idea should only be considered if existing space could be utilized. It was suggested that the space and parking of the MVB braches might be ideal for offering broader services. When the MVB was consulted on the idea they said that while it was good idea it was impractical. They felt that existing space and parking were already taxed and could not possibly handle the additonal load of Government Agent services in the same space.

3.4.2 Equity Groups

A study carried out by the Multiculturalism Project Team of the Government Agents Branch in August of 1992 made a number of recommendations to ensure that there was equitable access to Government Agent services for members of the multicultural community. At the same time they reported that projects had been completed to ensure equitable access to services by senior citizens and aboriginal people. They also cited a project to ensure wheelchair access to all GA offices. Key recommendations that they made regarding the Multicultural community were as follows:

(NB - The following quotes reflect the previous organization within the ministry. Reference to the Government Agents Branch should now read Client Services.)

- Government Agents Branch implement a policy whereby staff recruitment must reflect multicultural profiles when significant populations and qualified personnel exist.

- Government Agents Branch create bridging positions or under implement existing positions to recruit from the aboriginal and multicultural community.

- Government Agents Branch establish target time-frames within which the ethnic and linguistic mix of staff at all levels will reflect the mix of its customers.

- Government Agents Branch implement a comprehensive training program in service delivery to the multicultural community and management of a diverse workforce within set time-frames to all appropriate management staff.

- Government Agent objectives include multicultural training initiatives for front line staff.

- Information kits be developed and distributed to all sixty government Agent offices as a reference tool.

- Government Agents Branch print the Government Agents brochure in basic English, Cantonese and Punjabi and depict multicultural and gender balanced staff and customers.

This sample of recommendations remains valid in light of the recent nature of the report from which they are drawn. The last reorganization of the Ministry may have resulted in these recommendations not gaining the prominence they might have in other circumstances. Consideration will be given to these recommendations in the final draft of this report.

3.5 REVIEW AND ANALYSIS OF CURRENT SERVICES

Criteria to assess the value of current services being delivered.

The Government Agents ranked the delivered services according to three criteria: cost efficiency, relevancy and priority (see P. 18 for definitions). The rankings did not establish a clear picture of which services should be continued and which dropped. A new, more comprehensive list of criteria was established which could be used as part of the process of negotiating with client ministries regarding additional services and for finding new delivery methods for services that should be dropped.

The establishment of criteria for the assessment of delivered services is relatively easy as the suggested list of criteria that follows indicates. However, the question of whether the application of criteria will be productive is not clear. A number of issues seem to intervene when it comes to the assessment of specific services that are delivered. An examination of the rankings of delivered services present the issue more clearly.

- Government initiatives override any criteria that may be developed. An example would be the delivery of the Forest Practices Code. Questions of relevance and cost effectiveness are swept aside by the political reality of the need to service the emerging programs of government.

- An analysis of the low ranked services shows that even those that are at the bottom of the list of delivered services have importance to the client ministry. Unilateral action based on criteria is simply not appropriate. It will be necessary to discuss potential areas for reduction with the client ministry affected and then make reference back to the field regarding the impact of the removal of the services in each office before wise decisions regarding removal of services can be determined.

- The emerging role of technology in the delivery of some services is as yet not established but is going to emerge in the next decade. Much work needs to be done. Criteria such as relevance, cost effectiveness and minimum cost may change dramatically in the face of delivery using new forms of technology such as swipe cards, ATM, kiosk and phone payments. Until such time as the nature of the technological changes have been determined for Government Agents caution must be exercised before applying criteria to the existing delivered services.

- Offices of different size rank the same services differently. What is a high priority in a Micro office may be a low priority or not exist in a Large office. Thus the complexity of ranking services according to criteria would

have to be carried out according to office size for them to be meaningful. The complexity of such an exercise would not produce results that would be useful in guiding the initiatives of anyone approaching client ministries.

Our conclusion is that while there should be a broad understanding of the critiera that should be considered in the selection of future services and the elimination of existing services no systematic ranking of delivered services should be carried out.

The following criteria are identified for reference and for use in discussions with client ministries regarding additions and deletions of services.

Are the Services Relevant?

* Do the current activities support the governments strategic direction?

* Do a significant proportion of the population use the services? Has the proportion changed significantly over time?

* Are there reasonable alternatives available to residents? Are they an essential link to the customer?

* Are the services core as determined by the GAs (e.g. MSP) or optional (e.g. Prospecting)?

Are the Services Cost-Effective?

* Do they assist the client ministries to deliver the intended service to the intended recipients?

* Does the service meet the needs of client ministries (accuracy of information; error rates in processing etc.)

* Are alternatives readily available? Do people choose to use GAs even though alternatives are available?

* Do customers receive better service than the alternatives? In what ways is service better than the alternative?

Time Saving
- travel
- wait time on telephone

Cost
- mail

- long distance

Face to Face
- complicated information
- certainty of transaction completed
- human contact

* Could their effectiveness be improved?

  Are they conveniently located?
  Can they meet client and customer needs at these locations?

* Are costs large relative to the revenue collected?

* Are costs significantly higher than the alternatives (e.g. stand-alone offices; mail; other agencies)?

  Can the GAs achieve economies of scale?

  What is the threshold between us of government agents and use of stand-alone offices?

  Is there a "critical mass" of services required to deliver cost-effective service (e.g. if they did not have MVB could they deliver the other services in a cost-effective manner)?

* Do they monitor service quality and cost-effectiveness?

Is Service Being Delivered at a Minimum Cost?

* Are the staff busy? Do they handle a reasonable number of transactions?

* Do they provide services that aren't directly connected to their principal functions?

* Do they use more space than is needed?

* Are resources allocated to areas of greatest need?

* Are some functions duplicated (e.g. with sub-issuers)?

* Do their information systems increase or impede efficient operations?

* Do they monitor efficiency?

Does the Service Ensure Equity of Access?

* Is access assured for all segments of society (e.g. special needs, multicultural)?

* Is a similar level of service provided in all offices (e.g. wait time)?

* Do GAs offer superior service than is available in some larger centres? (e.g. Abbotsford)

The Link Between the Criteria and the Strategic Priorities of Government

The 5 priorities of the Provincial Government as published in The Plan - Strategic Priorities for 1994-95 are as follows:

* To maintain economic strength in the regions;

* To develop a strong and sustainable provincial economy;

* To promote equity and fairness for all British Columbians;

* To continue the renewal of British Columbia's health care system; and

* To redefine government.

The promotion of equity and fairness for all British Columbians is reflected in the geographic distribution of services provided by the Government Agents. Without their presence many British Columbians would have to deal with Government by traveling many miles, by telephone,. fax or mail. The face to face presence of the service is cited as an important value of the Government Agents.

The Government Agents are seen as partners in the economic stability of a number of regions. The extension of their role into the delivery of business information in cooperation with the Vancouver based business information centre should supplement the work of the Small Business section of the Ministry by providing access to critical business information throughout the province.

The Government Agents hope to assist with the redefinition of government. New and innovative approaches that build on the existing success of their service delivery model could effectively help to redefine the view of government.

Weighted Ranking for Criteria

Interviews with Client Ministries and examination of the existing services point to the need for all of the criteria to be considered when dealing with those services which might use alternative delivery methods. Most important is the process which has been requested by all client ministries for discussions to occur when a review of services is carried out.

At this time it has been determined that a weighted ranking of criteria should not be carried out.

Ranking of Items Surveyed According to Criteria

The consolidated rankings of the delivered services in which cost effectiveness, relevance and priority were totalled and each service ranked in order resulted in an understanding that services cannot be considered for elimination on a 'ranked' basis.
Five of the bottom eight services identified in the survey are not readily subject to cancellation because of their importance to their client ministries.

TABLE 23 CONSOLIDATED RANKINGS - DELIVERED SERVICES

Rank	Service
576 of 576	Inmate wages
575 of 576	Assist with Municipal Tax role
573 of 576	Building permits
571 of 576	Land Title Refunds
568 of 576	Transfer of Funds

(See Appendix K for the full Rankings)

The listing might best be used to open discussions with client ministries. Even then, the results of any agreement should be checked with the GA offices to ensure that the impact of removing the service would not have a negative effect in some areas.

The issue surrounding the use of criteria to rank the services involves a judgement as to who should be applying the criteria. Client ministries are ultimately the only ones who have a clear mandate to determine issues such as cost effectiveness and relevance. The GAs may be able to identify those services which do not rank highly in the three categories, but the decisions will have to be made in conjunction with the clients. Any unilateral elimination of services has the potential of damaging relationships with client minsitries.

Our conclusion is that the ranking of services according to criteria should not be carried out. The services identified as ranking low in all three categories should be reviewed in conjunction with the client ministries and the field before any decisions are made.

Identification of "leaders"

The services that are highly ranked on the summary of the three areas of cost effectiveness, priority and relevance vary with office size. The five top choices of micro, small, medium and large offices were selected. Only four services were

identified by more than one of the four office sizes as ranking in the top five. Eleven services were ranked in the top five by only one size of office. This means that what is a "leader" in a small office is not necessarily a leader in a large office and vice versa. Even where more than one size office identified a service amongst the top five only three were identified by two offices and one was identified by three offices. The result is that the identification of "leaders" must be approached with caution. The impact of recommending a service to be added may have differential effects on a particular sized office.

Again our conclusion is that any approach to "leading" candidates should be carried out through a process involving the client ministries and the field offices.

3.6 REVIEW OF PROTOCOL AGREEMENTS

In late 1980 'protocol agreements' with client ministries were introduced to the Government Agents. This practice was developed to bring rigor to their administrative processes as well as form an evaluative framework for measuring their work on behalf of other ministries: a number of which were grumbling about the quality and consistency of agent services across the province. In addition, the Deputy Minister of Finance--the Government Agents were a part of the Ministry of Finance at this time--was attempting to bring fiscal accountability to a number of ministry functions as the government was in the throes of cutting back on expenditures. 'Protocol agreements,' it was felt, would make the agents more accountable, more efficient and, in turn, provide better services to British Columbians. Finally, it was envisioned by the senior management of the day that these agreements would become almost contractual in nature whereby the agents would operate on a fee-for-service basis and ultimately, become self-supporting. By the summer of 1981 twelve agreements had been finalized, with at least an equal number in the negotiation stage. Over the ensuing years, however, the agents experience with these agreements fell short of expectations.

The agents, at least at the outset, saw protocol agreements as "more educational than anything else." They resisted because they felt "...evaluating the agents can only be approached in relative terms as their service functions and responsibilities can not be measured accurately..." This attitude persisted for many years. Only recently, since 1986, have protocol agreements become a part of doing business with the agents. The agents finally embraced them because of fiscal restraint and the need to be explicit about who is responsible for what and when. No agency of government could afford not to have a system for cost accountability.. The client ministries, for the same reason, found the agreements worthwhile.

A total of four protocol agreements were reviewed: Motor Vehicle Branch, Ministry of Transportation and Highways; Fish and Wildlife Branch, Ministry of Environment; Division of Vital Statistics, Ministry of Health, and; Mineral Titles Branch, Ministry of Energy, Mines and Petroleum Resources.

The agreements articulate in generally clear language what the agents will and will not do and what can be expected from the client ministry in terms of training, equipment and supplies and so forth. In addition, some agreements talk about audit requirements and confidentiality. This explicitness regarding functions and responsibilities continues to be the main purpose of the protocol agreements and, for this reason alone, they are a worthwhile endeavour.

On the other hand, there is much that can be done to improve these administrative instruments. The following is a cursory listing of the most important ones:

- The agreements note the need for 'performance standards,' 'volume and quality of activity' or 'qualitative and quantitative monitoring process' but none are included. The Deputy Superintendent of Motor Vehicles noted in an interview that performance standards are included in the appendix of the MVB's agreement with the agents. It was not attached to the document perused by the author. Continuous evaluation of processes and services is essential to the fulfillment of the agent's obligations to client ministries. Problems are often avoided when regular evaluation procedures assess operations and when there is a willingness to subject administration to thoughtful appraisal.

- The agreements are not living documents. They are not referred to frequently by agents or client ministries and, in some cases, are not looked at again after they are negotiated. Of the four perused, one is dated January 1, 1983, another March 23, 1989, another May 22, 1990 and the final one, April, 1992. These documents must have been extremely well drafted, or services have not changed over the years for them not to require up-dating.

- The agreements lack adequate and well-understood goals, purpose and objectives statements. There is nothing wrong with having a broad, enabling document that is empowering for the agents. As one client ministry noted, this can be very instructive. The client ministry, however, has to be clear on where it is headed and what it wants accomplished.

- The agreements do not contain fee for service requirements. Most observers believe this is simply 'moving money from one pocket of government to another.' Strong service or performance standards--measured regularly--could be an adequate substitute.

- the responsibility for these agreements is shared with the client ministries. the agents may initiate negotiations but the subsequent development and maintenance of the arrangement is a shared responsibility.

As a final note, a vital step in the evaluation of the agents and their administration of another ministry's programs is the formulation of criteria and standards to be used in making the evaluation. In their focus on customer service, the agents have been perceived

as being guilty of resisting standardized procedures in administration as they try to find answers. The importance of individualization is often seen as a primary tenet of their service to customers and often misconstrued when applied in administration. The agents need to remember, however, that administration is often a form of organization in relation to a function to be performed and it has as responsibility to evaluate itself. The success of protocol agreements is dependent upon a partnership with the client ministries that reflects a mutual concern for the effective delivery of services in the field. At times GAs feel the ministries assign the tasks to the field and wash their hands of any further repsonsibility for updates or training.

4.0 EXAMINE MACRO TRENDS

4.1 THE FISCAL OUTLOOK FOR THE PROVINCE

The provincial government's fiscal strategy covering the period 1994/95 to 1996/97 was presented with the 1994 budget. The key elements of the strategy are as follows:

- A freeze on major taxes and medical premiums.
- No new taxes
- A balanced budget by 1996/97
- Growth in expenditure limited to 2% in 1995/96 and 1996/97. This growth rate is below the rate of growth of population and inflation.
- No money for public sector wage increases.

The government has set deficit elimination as its primary target. If revenue falls short of its planned level, spending will be reduced to ensure a balanced budget in 1996/97.

Under this strategy, most ministries can expect to face a continued decline in real resources. Given the pressure for additional service in the large social programs (health, education, post-secondary education and social services), smaller programs like Government Agents will have to adjust to fewer resources. This expected pattern of funding will require a reassessment of the services provided and improvements in the efficiency of service delivery.

Within the fiscal strategy fees, licenses and other charges for government services are not frozen. Such charges could be as potential source of income for the Government Agents.

4.2 DEMOGRAPHICS

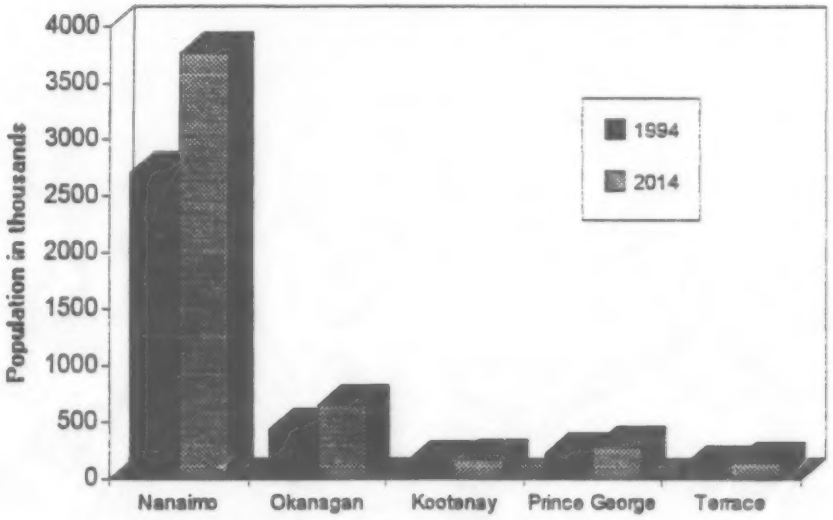
* Population Growth

All estimates clearly indicate continued strong population growth for the future. There will be regional disparity with growth areas being concentrated in the lower mainland, including the Fraser Valley, and to a lesser but still significant exent on eastern Vancouver Island, and the Central Okanagan. The major factor causing this growth will be migrating to the province both from international sources and from within the country. It is anticipated that the North East and the North West, along with the central Interior, the East and West Kootenays will show little

change although there will be centres expected to have limited population increases in each region, wuch as Terrace, Prince George and Nelson due to their role as major resource or supply centres.

International migration over the next 30 years is expected to be more than double that of the past 30 years, with approximately 80% of these people settling in the lower mainland. As economic conditions change, so does migration from outside the province as well as within the province. Younger, employment aged, people tend to migrate from the north and interior to the lower mainland or Vancouver Island to pursue economic opportunities. Migration correlates to a significant degree with the unemployment rate. These established 'in province' migration patterns will continue and accelerate as the province moves steadily towards the service based economy.

FIGURE 6. PROJECTED POPULATION GROWTH BY REGION, 1994-2014



* Population Characteristics

The gradual aging of the population in Canada has been well documented and is a salient feature of our future characteristics due to the redominate influence of the baby-boom generation. This group will impact traditional retirement areas in the province of B.C. as they come of retirement age. The migration of a retirement population has already been noticed in these areas. In contrast, immigrants to B.C. from international points are heavily clustered in the younger, 20-35 year, adult age group and represent a greater ethnic mix than the current composition of the population. Internation migration will continue to be weighted towards

immigrants from Asian countries given maintenance of existing policy. Over time this will change the relative ethnic composition of the general population. However, in the short and medium term, people of European origin still represent by far the greatest majority. As previously noted, areas where ethnicity is an important factor will be in the lower mainland and Fraser Valley.

* Implications

The existing demographic data and projections, permit a focus on the areas where demand for services are clearly going to grow as well as indications of the type of special service considerations which may be anticipated.

The historical demand for and commitment to a regional presence for Government, must be balanced with the varying demands for services from growing communities and those in decline. It is clear that there must be decisions made regarding the allocation of resources to meet these changing needs. Strategies must be designed and implemented to provide for increased delivery capacity through acquistion of new resources or funds to purchase the technology or support to remain a rationalized and reliable service.

4.3 TRENDS IN GOVERNMENT

Changes are everywhere in government service delivery. In British Columbia the Provincial Government, the Public Service Employee Relations Commission (PSERC)) and the B.C. Government Employees Union (BCGEU) have signed a Memorandum of Understanding regarding improvements to the public service. The newsletter resulting from the agreement is called Renewal Revitalization - Building a Better Public Service for British Columbians. The Federal Government recently produced Blueprint for Renewing Government Services using Information Technology, Treasury board of Canada, Secretariat, Govt. of Canada, 1994. Articles in a number of Canadian Public Service publications have examined new forms of delivering government services to customers through Special Operating Agencies. Roger Douglas, author of Unfinished Business, 1993, was the Minister of Finance who presided over the structural reforms that New Zealand has experienced in the past decade. David Osborne and Ted Gaebler wrote of major reforms in the United States in their book Reinventing Government, 1993.

The basic direction of the articles and books calls for creative and innovative ways of improving the services to customers without increasing costs. The theme of improvement is based upon the belief that decisions are often made more effectively as close to the action as possible. The decentralization of the delivery of services and establishing local accountability are both found throughout the literature. The concept of 'one-stop' service delivery is the focus of the Federal Government publication mentioned in the previous paragraph.

4.4 TECHNOLOGICAL CHANGES

There is a bewildering array of technology in the marketplace today and technology is changing at a very rapid rate. It is critical that organizations have a supported planning process; technology can become an important enabler to support the business goals of the organization or it can be costly and of limited value.

The following sections identify some of the major technological trends that will affect the Government Agents in their broker position between the increasingly more sophisticated general public and increasingly more varied systems provided by the ministries.

Look before you leap

One of the important trends is that organizations are beginning to carefully study their business processes and assessing the effectiveness of these processes in meeting their business goals. Commonly called reengineering, these activities take an enterprise view to determine which processes need changes, improvement, or elimination and how technology can be an enabler for the new processes. Case studies document significant benefits resulting from these activities.

The federal government is currently promoting such studies within and between various departments. The driving force behind these initiatives is shrinking government budgets, increasing customer demand for service and a sense that significant improvement can be made using reengineering and technology together.

The Ubiquitous Personal Computers

The use of personal computers has become very widespread and their graphic user interface (GUI) such as Windows have become a barometer for ease of use. The base applications are word processing, spreadsheet, and database. Personal computers are being linked together through LANs (local area networks) to provide better sharing of information, accessing common resources and better communication through facilities such as e-mail between members of the local or regional workgroup.

Increase in the capability of cusomers to directly access services

For many simple information requests and services customers are willing and able to do activities in an unattended mode and there are many capabilities to do this. Examples include:

- information access through the telephone system and IVR (interactive voice response units). For example Revenue Canada provides an extensive voice information retrieval service on taxation issues. Most universities use this type of service for course registrations for their students. A variation on this service is the faxback capability used by some private businesses and also by the Canada/BC Business Services Centre to distribute business documents efficiently. The user phones a central number, follows prompts to help identify the document he wants and then supplies a fax number to which the document is sent without any human involvement.

- kiosks are becoming quite common for information communication and also can be used for transactions including payments. The kiosk normally has a touch screen, optional keyboard and card reader, and multimedia capability. It is designed for public use and is frequently placed in high traffic areas such as malls. Over one third of the states in the US use kiosks for public information distribution and it has been implemented by the Ontario Motor Vehicle Branch on a pilot basis.

- individuals with personal compters are able to use them to efficiently access information. Examples are:

    - BC Online users which have access to various government data bases

    - Internet users who have access to available stored public data such as State of California bills and Ministry of Small Business Accommodation information

    - Contractors in a pilot project with Municipal Affairs can get an electrical permit and request an inspection through using their personal computer connected directly to the Ministry's system.

Increased variety of systems and applications

Most of the current ministry applications used by government agents are built on the same technology base and are accessed the same way through a standard terminal interface using text data. The explosions of technology provides many more options and capabilites for new applications today and ministries are now

selecting a variety of platforms to provide services. Some of the new changes include:

- systems and applications executing on a variety of platforms such as Novelle LANs, Unix servers and specific personal computers
- applications that will be using some of the new applications technologies such as image, expert systems and multimedia
- applications that have been developed as client/server applications - part of the application executes on the personal computer and part executes on another computer in the network.

Since some of these systems will be a part of the Government Agents services delivery capability it is important that this trend be understood and integrated in the planning process.

Movement to Open Systems and a standards based approach

There is a trend away from developing proprietary systems (dependance on a single vendor) to developing Open Systems. These are systems that are developed based on industry standards and provide two major capabilities:

- portability of user applications, data and people skills between compliant platforms. People want to be able to easily switch systems should a business need arise.

- interoperability which means that computers from different vendors and various sizes can operate together with the software providing the capability to share data and programs.

This is a trend based on evolving standards and products and offers the potential to provide significant benefits to the customer. Government agents will be primarily interested in the interoperability capabilities based on their use of ministry systems.

Charging for services

This is a trend that is related to providing information services to the public. Some of the public sector organizations are changing clients for the service. Examples are:

- BC Online which provides access to some of the government databases
- Contractors on the Municipal Affairs pilot project who acquire permits by using their personal computer pay a connection fee in addition to the permit costs

- Ministry of Transportation in Ontario provides, through kiosks, information packages which users pay for. The system has just started and today they have three packages for sale:

  history of your driving record;
  history of a used vehicle;
  safety record of a trucking firm or commercial driver.

  Their plan is to increase the number of packages.

5.0 STRATEGIC ANALYSIS

5.1 IDENTIFICATION AND ANALYSIS OF POTENTIAL SERVICES

5.1.1 Review and analysis of survey developed by GAs and Working Committee

A total of 139 potential services were identified in the survey. The services were ranked according to the cost efficiency and priority by the Government Agents.

In every case the cost efficiency ranking was higher than the priority ranking. The Government Agents appear to believe that they can deliver a service in a cost efficient manner. However, they do not believe that the majority of the services identified were a high priority. On average the priority ranking was at least one full point lower than the cost efficiency ranking. (See Appendix I for the table.)

The table was further broken into the rankings for the four offices sizes. The rankings for the top five services according to cost efficiency varied significantly according to office size. Only one service (Database Voter Reg. Change of Address) was mentioned by three of the four office sizes. Three services were identified by two of the four office sizes. (Small Business Registration/Licensing, Pharmacare Applications & Claim Forms and Company and Society Registration Fees) The remaining eleven services that were identified were only mentioned by one office. This reflects the varied nature of the service provided by the different sized offices.

The implications of the potential services cost efficiency ranking is that while some of the services may be candidates for future negotiations with ministries, the 'take up' in the field may not be uniform in all cases. The service delivery needs of micro and large offices may vary widely as will the small and medium offices. Their interests in which services should be negotiated will also vary widely.

(See Appendix L for the full report on Potential Services as Ranked by GAs.)

The ongoing expansion and contraction of services requires an understanding of the capacities of the different sized offices and the nature of the needs of their customers as well as an understanding of the client ministries and their needs. The process of adding services needs to be managed as does the process of finding alternative delivery methods. The political reality of the process and the need to respond to government initiatives regardless of planning are factors which must also be considered.

5.1.2 Develop key attributes suitable for potential service delivery

The development of attributes for the selection of potential service delivery will depend to a large measure on the market which is being sought by the Government Agents.

The first issue to be addressed when establishing attributes of potential services would be whether simple or complex tasks will be pursued in the future. Pressures exist at either end of the spectrum. There is the possiblity that simple tasks will increasingly be carried out by such services at the Automatic Tellers that are used by banks. On the other hand, complex services may become too difficult for Government Agents to deliver and will need to be taken back by the client ministry. It is important that a decision be made regarding the market segment or segments that will be pursued for new business. The ideal area would be a service, with a problem solving component, that matches the ability of the Government Agent to stay current without a large investment in training.

The second attribute which should be considered is the volume of transactions that is anticipated for the various offices. The analysis on P. 58 points to the need for transaction volumes to reach 19,300 for a two person, stand alone service to be cost effective when compared to delivery by Government Agents. This volume statistic should be used by Treasury Board to determine the whether or not a ministry should deliver the service through Government Agents or allow the Ministry to set up a stand alone service.

A third attribute would be the need for face to face delivery of services. The Medical Services Plan (MSP) has recently determined that more emphasis should be placed on the regional delivery of their service. In early conversation with the Director it has been determined that the Government Agents would be a cost effective way for more face to face services to be delivered in the regions. The trend to decentralized services in government is already well served by the existence of GA offices in 60 communities throughout the province.

Services that have a problem solving component would be a fourth attribute. If very simple transactions are destined to be taken over by technological methods of payment, then services which have a moderate degree of problem solving are best suited for future development of services by Government Agents. The Attorney General is looking to Government Agents to begin to collect fines on their behalf. The Residential Tenancy Branch is asking for Government Agents to begin to collect deliquent accounts. The licensing of Security services is also a potential service. Each of these has a problem solving component and would be well suited to the 'middle ground' that seems to be emerging as the key area for consideration as potential services.

A fifth attribute of a potential service would be whether it has a problem solving component that arises from use of technology. If that was the case, the machine that delivers the service could be in the lobby of the GA office and it could refer the customer to the GA when problems arose. While a good deal of the service could be delivered without problem, the presence of a GA could supplement the technology and deliver the complete service in one area.

A sixth attribute of a potential service would be the impact it would have on existing staff. If the service was to have a major impact consideration must be given to whether or not Government Agents could handle the service with existing staff. Solutions would need to be found if volumes were so high that they had a negative effect on the quality of service. Solutions could be a joint submission with the client ministry to Treasury Board, the adoption of a technological solution or the reallocation of staff.

Finally, any service which the government proposes for delivery through the GAs offices overrides all other considerations. A recent example was the government's request for GA offices to deliver copies of the Forest Practices Code in their region.

5.1.3 Develop weighted ranking for attributes

Each of the attributes outline in section 5.1.2 must be reviewed when considering the addition of services. The process of negotiation and discussion with client ministries should be the method by which decisions are taken. Ministry and field staff would consider the attributes in the process, but should not make arbitrary decisions based on the criteria and attributes.

5.1.4 Revisit analysis of current services and test based on new attributes

The conclusion reached regarding the application of criteria to the delivered services was that other factors outweighed the importance of the criteria in selecting and assessing services. The same principles apply to the new attributes.

5.1.5 Rank items according to weighted attributes

The Delivered and Potential ranking of services carried out by the Government Agents gives an insight into the problems of applying rankings to the services. The point has been made, earlier in the paper, that problems exist if rankings are used to determine which services might be recommended for shifting to other delivery methods and for those that should be pursued as potential services. In the case of delivered services, it was determined that services that ranked very low on the list according to Government Agents, were services that in some cases were vital to the ministry involved. In the case of potential services it was determined that the size of the office played an important role in ranking the various potential services.

Those that ranked high in one size office did not rank as high in another office. Once again it points to the need for negotiation and consultation.

Key to the process is the need to observe the following guidelines:

1. A review should be carried out with each ministry every two to three years to explore the use of alternative delivery methods.

2. The single most important factor in the selection of services to be delivered is the desire of the client ministry to have the Government Agents act on their behalf.

3. Government priorities can override planning priorities. Therefore GAs must stand ready to deliver any service.

5.1.6 Identify program and service delivery "leaders"

Leaders will be identified in partnership with the client ministries. The following services are a sample of the types of new initiatives that the client ministries identified during interviews.

a. Health. Increase in the role of Government Agents in the whole MSP delivery system. The request is based on the need for better regional service and the regionalization of health care.

b. Attorney General. Seeking assistance of Government Agents in collection agency when applying for a license. Also seeking assistance with the licensing of security services.

c. Social Housing. Regional presence for their central registry. Rent collector for B.C. Housing.

d. Forestry. Increase role in regional mapping and interrogation of their geographic info system (e.g. - cut blocks)

e. Aboriginal Affairs. Increased Government Agent role in dealing with the issues arising from the negotiations for land claims.

5.1.7 Additional analysis of leading candidates

To be carried out once the process identifies candidates. The most cost effective means of delivery will be explored with the client ministry.

5.1.8 Identify potential partnerships with federal, provincial and regional governments and communities

Federal

Federal partnerships could be an extension of the currently existing services (2 revenue and 39 non revenue) where Government Agents provide forms and information on behalf of the Federal Government without compensation. At present these services are intermittent and are provided on behalf of the customers to smooth their relationship with 'government' in general. It has often proven difficult to get the forms necessary to provide this 'free' service.

It is unlikely that the Federal Government will find additional cash to purchase services on behalf of their ministries from the Government Agents. However, if their initiative to provide 'one stop' computer based services to their customers is started, the Government Agents of B.C. would make an ideal service delivery model because of the extensive 'one stop' service experience.

Recommendation

Talks should be initiated with the Federal Government to explore the possibility of the Government Agents acting as the pilot delivery location for any 'one stop' efforts they may be initiating.

Provincial

Close relations already exist with most provincial ministries. Increases in services within the provincial government will be a matter for on going negotiation.

Recommendation

Existing communication and negotiation structures should be supplemented with assistance in the form of a designated GA in Victoria to deal with the extension and contraction of services. As well, field representatives from each region should be present whenever final stages of negotiations are being completed. (This activity may need to be handled by conference calls or fax machines in the face of travel costs.)

Regional/Municipal

Regional Districts currently deliver a number of information services (8) through the Government Agents. Only a small number of revenue services (2), which ranked 2.5 or below on a 5 point scale are delivered.

Recommendation

The potential for increased service delivery should be explored

5.2 ANALYZE ALTERNATIVE DELIVERY VEHICLES/AGENCIES

Today there exists alternatives, some just emerging, for the delivery of government services to its customers. These alternative are largely technology driven and primarily focus on providing the customer with self service capability, but these technologies can also enhance the capability of people providing direct services. The identification of these alternatives (there will undoubtedly be more in the future) is just the starting point of significant management challenges that should not be underestimated. Some of the issues that need addressing include funding considerations, changes to policy and procedures, specific technology selection and implementation, migrating from the current environment to future environment, relationships with customers, clients and partners.. These are issues that will take time to address.

The major alternative delivery vehicles include:

Self service using kiosk technology. Kiosk technology is becoming increasingly popular for delivering selected government services because it can provide easy to use self service capability at convenient locations (e.g. shopping malls) and extended hours of service (can be 24 hours a day).

Kiosks use personal computers built into special cabinets and configured from a number of options. Some of the major options are:

- touch screens and simplified menus for ease of use
- network connections to other computers
- credit card and smart card readers for identification and information
- multimedia capability including video and audio for effective information conveyance and ease of use
- printers for hard copy output

Kiosks support four major type of applications

- providing information such as welfare coverage information
- conducting transactions such as paying fines for traffic offenses
- promoting products, advertising such as tourist information
- vending applications

Kiosks are being used extensively in the public sector. The most extensive use in Canada is ServiceOntario which is a joint venture of the Ministry of Transportation, Attorney General, and Treasury Board in Ontario. Their kiosks which are deployed into shopping malls enable the customer to:

- renew motor vehicle registration stickers
- update personal information such as an address change
- pay outstanding traffic fines

- obtain information packages -drivers history, vehicle history, safety record of a carrier

Payment is through the use of Visa or Mastercard credit card and there is a charge for obtaining the information packages.

Info/California provides similar type services. These include

- employment opportunity/ job search assistance
- motor vehicle registration renewal
- information on health and human services / how to apply for public assistance

2. Self service using the telephone. There is an increasing number of IVR (interactive voice response) applications which allow a customer on a phone to communicate with a remote system and by following recorded instructions and entering information through the touch pad can acquire information or execute some predetermined activities. This capability is being used today in government and will increase in the future. Current examples of its use includes:

- Revenue Canada provides an inquiry service for income tax information called TIPS
- the Canada/BC Business Service Center provides an information service on business related documents that includes the capability of having the identified documents send to a fax machine.

3. Direct payment through the banks. As was mentioned above the kiosk technology provides the capability of making payment using credit/debit cards. Many banks and financial institution are now offering a 'bank by phone' service. In addition to providing account status and account transfer capability using the IVR technology the new service provides the capability to pay bills. The customer enters the identification number of the payee and the amount of payment through the touch pad on the telephone and the payment is made.

Many municipal governments across the country, including the city of Langley, have enrolled in this service mainly to accommodate the payment of property taxes. It is expected that other government agencies would provide this service to their customers in the future.

4. Direct interaction with government using personal computers. As the number of personal computers are increasing both in the home and in business they provide another capability for service access and delivery with government. The personal computer can directly access government organizations and information sources or it can provide information in electronic format. Today there are few examples of the use of these capabilities These include:

- the federal government provides a service called EFILE which allows electronic filing of income tax returns.
- Municipal Affairs provides a service which allows contractors to receive permits and request inspections through using their own personal computer which is connected by dial up to the Municipal Affairs computer.
- there is a tremendous increase in the amount of government information that is available electronically, especially on the Internet and this information is available to anyone that has an Internet connection. Some examples of the type of information available today include:
    - press releases from Ministries - e.g. Ministry of Education, Health
    - minutes of meetings - e.g. Victoria City Council, Federal government tasks forces
    - operational information -e.g. road reports, accommodation availability

  There are many more examples of useful information available and with the increased focus on the information highway it is expected that this direct link between the citizen and government will become more important in the future.

5. Enhanced capabilities through the government agents offices. It is anticipated that the self service capabilities will take care of many of the simpler, clerical transactions for government agents and enable the agents to focus as a knowledge worker by providing solutions to the more complicated service requests from the public. To enable the agents to fulfill this role they require better access to information in government through the use of enhanced workstations . These enhanced workstations would provide the following capabilities :

- access to all relevant ministry data and applications
- access to public networks such as the Internet that have related information
- access to relevant Federal and Municipal information
- use of new technologies as they become available and are needed - multimedia for training, desktop videoconferencing, imaging

5.3 CORPORATE ANALYSIS OF STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS. (SWOT)

5.3.1 Review SWOT exercise completed by GAs and WC.

The initial SWOT exercise completed by the GAs and the Working Committee has been superseded by the regional SWOT exercises completed in each of the 5 regions of the province. The following sessions were held:

• January 5 to 7	Nanaimo
• March 15 to 17	Terrace
• May 17 to 19	Prince George
• June 9 and 10	Nelson
• June 16 and 17	Kamloops

The first three sessions included a full day on change in the public sector. The last two, because of limited time for both the GAs and the facilitator were restricted to the SWOT exercise.

The process involved a brainstorming session on each of the categories in sequence. A key rule during the brainstorming sessions was that no criticism or discussion was allowed to ensure that creative ideas would flow. Once the ideas had been exhausted a discussion was carried out and the list was refined. Finally a vote was taken to determine the consensus of the group on which were the most important factors.

There was a high degree of similarity between the findings in each of the regions. Data for one of the regions (Nanaimo) was not collected in exactly the same manner therefore the analysis will focus on the 4 regions that went through the process in a similar manner.

The following are the **strengths** identified by the GAs at the various sessions. The brainstorming produced up to 80 ideas in each of the individual sessions. The full report is contained in the appendix. These ideas represent a strong majority view that has gone through a rigorous filter in each of the groups.

	Number of regions selecting
• Geographic location	4
• Personal skills/abilities, people/staff	
• service oriented	4
• One stop service centre	3
• Cost effective, operational efficiency	3
• Flexibility (changeable, adaptable)	3

• Problem solvers	2
• Overview of Government programs	2
• Window to Govt. (Two way feedback)	2
• Financial management (control)	2
• Reputation (trust, reliable, loyal, integrity, honesty	2
• Cutting red tape	1
• User friendly	1
• Network - family	1

In summary the Government Agents view their strengths as being their geographic spread throughout the province backed up with strong personnel to deliver the many services offered through their one stop service centres in a cost effective manner. At the same time they view themselves as being flexible and open to change. They believe they are problem solvers for their customers with an overview of government programs and a two way window to and from government. They pride themselves in their financial management skills and their reputation. They believe their job is to cut red tape for their customers in a user friendly atmosphere. One of their strengths that sustains them is the network of GAs around the province which they use to support each other and to solve problems for one another.

The following are the **weaknesses** identified in the various sessions. Up to 60 ideas were generated in each of the individual sessions. These ideas represent a strong majority view of the participants.

	Number of regions selecting
• Lack of up to date technology	4
• Poor communication (with client ministries)	4
• Incompatible and inconsistent systems	3
• Competition between regions	3
• Wrong ministry	3
• Outdated/inadequate protocols	3
• Lack of overall direction	3
• Lack of participation in client program development	3
• No promotion plan/succession plan	2
• Inadequate training	2
• No marketing focus	2
• No reliable measure or weighted value for workloads (poor staff allocation)	2
• Lack of resources for change	2
• Hours and days open	1
• Can't shape staff to meet needs	1

Government Agents feel they are being hampered in delivering a first class service to their customers through a lack of up to date technology and incompatible and inconsistent computer systems. They feel the communication with their client ministries is poor and results in their not being part of the implementation planning for new programs. They consider the protocol agreements with the client ministries to be outdated and inadequate. They question the lack of an overall direction for Government Agents and wonder if they are in the right ministry. In the face of inadequate resources for change the need for reallocation of resources is apparent. The lack of a reliable measure or weighted value for workloads makes staff reallocation a concern. Other concerns are the inadequate training, no marketing focus, the hours and days their offices are open and their inability to shape the staff to meet the needs of the customers.

The following are the **opportunities** identified at the various sessions. In the opportunities session the groups were split in two. These ideas represent the work of 8 groups rather than 4. Thus there appears to be somewhat less of a majority view on the subject of opportunities. However, strong directions did emerge in each of the sessions.

In this section a wide variety of opportunities was identified. Only those which were mentioned by two or more of the groups will be listed.

	Number of regions selecting
• Establish satellite offices	4
• Expand more complex revenue collection	3
• Formal partnerships with other levels of government	3
• Develop a marketing plan	3
• Harmonize computer systems between client ministries and GA offices	2
• Secure more up to date technology	2
• Involvement in client ministry planning	2
• GAs to be considered first for program delivery	2
• Explore the use of credit/debit cards	2
• Implement an activity measurement report to allow for reallocation of staff to extend the days and hours of offices	2
• Improve internal communication	2

In the case of opportunities the Government Agents viewed their role as customer focused. The consensus, while not on the list, was that routine revenue collection would decline. Therefore they believe that they need to expand their services through offering satellite offices in malls, increase their complex revenue collection and establish more formal partnerships with other levels of government, the

crowns and even the private sector. To achieve these goals they believe it is necessary to harmonize the computer systems with client ministries and secure more up to date technology. A marketing plan is needed to realize their goals both within the GA offices and with their customers and clients. They believe GAs should be considered first for program delivery. Involvement with client ministry program planning would provide a forum for better communication and an opportunity to market their services. Other opportunities included the use of credit/debit cards, the implementation of an activity measurement report to allow for reallocation of staff to extend the days and hours of offices and the improvement of internal communications.

The following are the **threats** identified at the various sessions. Again the group was split in two, resulting in 8 responses to the perceived threats to the Government Agents. However, the degree of similar thinking is much more present in the threats than in the opportunities.

	Number of regions selecting
• Budget cuts	4
• Failure to secure updated technology	4
• Technical response will be too slow	3
• Political will to support the GAs	3
• Competition/duplication with private sector other levels of government and other service delivery methods.	3
• Lack of knowledge of GAs in Victoria	3
• Ministries opting out	2
• Over reliance on inadequate statistical management reports for re-allocation of staff.	2
• Lack of a long term plan	2

Concern with how the needed changes in technology will be financed in the face of budget restrictions was considered to be the key threat to the future of Government Agents. While the concern with budget cuts goes beyond the issue of technology there is a broader concern that without an apparent 'political' sponsor their future budgets may well be cut. They see the potential for growing competition for the delivery of services. When combined with what they perceive to be a lack of knowledge of GAs in Victoria the reality that client ministries may opt out is a threat. Two other concerns are the basis for staff reallocation not being adequate and concern that there is not a long term plan for the Government Agents.

Each region then developed **Action Plans** unique to their areas. While not a part of the SWOT exercise, the similarities between the regions on a number of action items are worth noting. While the actual plans were unique the themes tended to repeat themselves in most of the regions.

	Number of regions selecting
• Develop a marketing plan regionally and provincially	3
• Develop an internal communications plan	3
• Improve technology, including training	3
• Work toward a Federal/Provincial one stop service	3
• Reallocate resources regionally	3
• Implement an equitable workload measurement system	2
• Work toward the consistent delivery of core services	2
• Establish pilot satellite offices	2
• Improve staff morale and career paths	2

It is important to note that the precise wording varied region to region. These items should be viewed as themes rather than specifics. The purpose of the sessions was to create an action plan that could be worked on within the region and did not depend on provincial action. In a number of the cases some form of provincial action would be necessary for the action to succeed.

The major themes seem to focus on their need to sell themselves and to take advantage of their existing infrastructure to provide services for other levels of government and in new locations for the ease of their customers. To do so they see a number of needs, such as improved technology and expanded training, that must be filled through their own initiative, such as the reallocation of resources and the consistent delivery of core services. To achieve the reallocations in a fair manner they are looking to the establishment of an equitable workload measurement system.

5.3.2 External Environmental Assessment

Determine categories/criteria

Forces and trends

The two most compelling forces facing Government Agents today are the reality of static or declining budgets and the increasing demands of customers for service. Studies have indicated that public perceptions of government service to the public has been declining. Around the world initiatives have been undertaken in a variety of areas to improve service to the public without increasing costs and wherever possible reducing costs. New Zealand developed a whole sequence of responses to their financial crisis based on the need to cut costs and continue the service.

The Next Steps movement in the United Kingdom moved to Executive Agencies for the delivery of services to the public. In Canada, the PS 2000 program was designed to significantly shift the focus of the public service to customer service. The challenge is the same everywhere. How do you improve customer service in face of static or declining budgets? The examples cited above all point to a basic reorientation of the public service through developing a new paradigm for the delivery of services.

The trend that we see in government is equally strong in private corporations. Re-Engineering the Corporation outlines the need for a fundamental shift in the way business is conducted in large corporations if they are to survive in the competitive environment of the global economy. Reinventing Government, by David Osborne and Ted Gaebler develops a similar view of governments at all levels. However, Osborne and Gaebler point out that many government services do not lend themselves to the kind of bottom line analysis found in Re-Engineering the Corporation. Never the less the principals remain the same. Bureaucratic structures, so successful during the first half of the 20th Century, have outlived their usefulness. The high degree of consensus that existed during the two World Wars provided a base for bureaucratic systems that served the population very well. Since the Second World War our population has become increasingly diverse. The systems which served us well in the past are no longer meeting the needs of our more complex society. Figure 1, drawn from The Journal of Public Sector Management, 1991, illustrates the author's concept of the 'Emerging Government Values'. These values reflect the changes that will be necessary in the way government works if we are to overcome the declining attitude of the public toward the public service.

Client ministries and customers

Customer surveys indicate a high degree of satisfaction with the services provided by the government agents. The most recent exit interviews, conducted in May/June 1994, support the earlier studies. There is strong support for the Government Agent services amongst those who use the service. A recent Omnibus Survey indicated that 50% of the citizens surveyed were aware of the GA services. The familiarity figure rose to 62% in the Okanagan and 64% in Northern B.C. where the services are delivered. With close to 50% of the provinces population in the urban areas not served by GAs the awareness level was good.

Client ministries seem to be going in two directions. Some are looking to securing increased service delivery through the Government Agents as their budgets shrink and their desire for regional delivery of services grows. (EG. The Ministry of Health is looking to Government Agents to provide more face to face service in the collection of MSP premiums as a part of their regionalization and customer service improvement program.) Others are looking to increased use of technology for routine revenue collection. (Eg. Forestry will use electronic transfers for the

collection of stumpage. It is predicted that this revenue source will disappear from the Government Agents in the next few years.)

Actual or potential competitors

The demand for government to look for improved customer service appears to be motivating some ministries to look to the private sector and other governments to carry out their services.

Vital Statistics, in the Ministry of Health, currently encourages funeral homes to provide the death certificates and burial certificates. Hospitals are experimenting with the provision of birth certificates in the hospital. Fish and Wildlife has been delivering fish and game licenses through marinas and sporting goods stores for a number of years. Vital Statistics has contracted with Ladysmith to provide their services through the municipal office. MVB provides licensing services through insurance agencies in a number of rural communities. Marriage commissioners have been appointed independent of the Government Agents and have replaced much of their work in the area. These arrangements are viewed by the client ministries as a cost effective means of delivering their services.

The Federal initiative to create InfoCentres is geared to a one-stop approach to the delivery of Federal information and applications throughout Canada. At present there are 18 limited access InfoCentres set up in British Columbia as test sites within existing CEIC offices. The centres are geared to serving Canadians outside the large cities. They are looking for cost efficient ways of delivering the service. In the future the initiative is looking for computer linkages with each of their key ministries to provide on line services. A recent Treasury Board Initiative has been undertaken to begin the process of rationalizing the wide variety of systems and hardware that is currently in use. These centres could be viewed by some of our client ministries as a cost effective way of delivering their information.

The increased use of technology for a variety of routine revenue collection procedures is apparently inevitable. Earlier work points to the rapid acceptance of ATM banking over the past 5 to 6 years. Telephone payments have been introduced by a number of banks and credit unions. Langley has instituted payment of their property taxes through the telephone. BC Online is providing pilot services to the Municipal Affairs Inspection Branch to allow contractors to buy their licenses by modem and to receive a booking for inspection through the same process. While this experiment is limited to one office in Saanich at present it is apparent that this practice will expand. Clearly the increased use of technology for routine revenue collection will be in direct competition with some of the existing GA activity. The expansion of BC Online services, the extension of Enquiry BC for information services and the restarting of BC Intouch for individual payments by BCSC all present technical alternatives to the face to face services of the GAs.

Actual or potential collaborators

All of the potential competitors are also potential collaborators. In each case the role of the Government Agent could be positioned to provide the value added, problem solving services to the routine services that can be handled by sub-issuers, the private sector and technology. Banks and Credit Unions have successfully married the use of ATMs with the face to face customer service. Similar relationships between the client ministries, the customers and the Government Agents are clearly possible.

The pilot on electrical inspections that is running in Saanich is a good example where the GA can play a key role in provide the service within their office. Not all contractors have lap-tops and modems. The GA could provide a computer and modem and, if necessary, assistance to the contractor to hook up through BC Online to the local inspection data bank. At they same time they could provide assistance if problems arose.

The emergence of BC InTouch as a means for citizens to pay various government charges through credit/bank cards should be closely tracked by the Government Agents to ensure they position themselves to provide the value added problem solving services in their communities. This will not only enhance the service being provided through BC InTouch but will also improve the service by providing face to face assistance when difficulties arise.

Even in those cases where the ministries have decided to use private sector or other public sector delivery mechanisms there should remain a close connection with the GAs to act as back up or inspectors for the client ministry as needed.

Recent Issues and Trends Affecting Public Sector and Non-profit Organizations

Revenue related issues

There has been a growing trend toward public sector and non-profit organizations to become more self sufficient. While Reinventing Government indicates that it is often not possible for government services to become 'profit centres' it is clear that the attitude toward charging for services is shifting.

The trend in the public sector has been to charge for services which are a clear benefit to the citizen. At the same time it is clear that most government will not charge for revenue collection. The consensus is that items such as property tax and consumer tax simply should not have a collection fee attached. However, in a number of client ministries, there is a clear benefit to the citizen that will be granted if the license or permit is issued. In those cases there seems to be a willingness to charge for the service.

In the non-profit area the trend is toward increasing the participation of business and fund raising for the operations of the societies. The staging of major games such as the Olympics and the Commonwealth Games have increasingly relied upon significant contributions from the private sector for their successful staging. Cultural and sport organizations are being called upon to provide more from their revenue and fund raising for the operation of their organizations as government funding continues to be restricted.

It is clear that both public sector and non-profit organizations must look to ways to supplement the cost of their operations other than through direct grants from government. The Government Agents are in a position, in cooperation with their client ministries, to examine new sources of income to assist with the cost of delivering their services.

Social and political value shifts

The public mood toward government services in general have shifted from acceptance and respect to discontent and lack of respect. While specific services continue to be valued there is a general mood which reflects a sense that government services do not meet the expectations of the population. They believe that taxes are too high and that the quality of service is not what it should be.

In a broader sense there is a shift going on with regard to the government paying for all services. The long run from World War II till the mid 1980's saw ever increasing services being provided by various levels of government. The recent financial crisis has focussed attention upon the deficit and created the realization that as a country we have been living beyond our means. Services are being reduced or eliminated in keeping with a desire to reduce the amount of money borrowed to maintain existing services. Recent examples are the elimination of Family Allowance at the federal level, the elimination of the Round Table on the Environment at the Provincial level, the reduction of program offerings in the public schools and the closing of hospital beds in the health care field. All of these, while painful to some, have generally been accepted as needed to help us keep budgets and spending under control. This is a very significant shift which is reflected in the policies of all parties currenlty in power in Canada.

These shifts in public attitude will affect the nature of the services offered by the Government Agents. The funding of change must be undertaken in a climate which points to new systems and creative financing, not more money.

Communication, "computation" and information system trends

The myriad of communication and computation systems that are facing us make the choice of technology to meet the customer and client service needs is complex.

Key trends are the increasing use of the 'Information Highway', Internet, networks and satellites to deliver both messages and information. A growing number of people are accessing these services both for recreation and for their work. Not all of the applications are currently useful for the work of the Government Agents. However, as the knowledge and skill in using these services grows increasing numbers of applications will no doubt be found for the work of Government Agents. It is clear that some pilots should be undertaken which connect GA offices to Internet. The personnel who follow they field could keep the remainder of the GAs informed as to applications and when they should all join.

The broad acceptance of the ATM used by Banks and Credit Unions point to a field which will likely cross over to government services. Pilots utilizing kiosks in Ontario for motor vehicle licensing and insurance as well as fine collection are currently under way. Various states in the U.S. are using kiosks for the delivery of a wide variety of services:

Info/California: - employment, vital records, motor vehicle registration, health and human services.
Arizona Quick Court: - superior court services, child support calculations, completion and printing of legal forms.
Hawaii Access: - State Health Insurance Plan (SHIP) enrollment, information on state services.
Republic of Singapore: - purchase postal products, pay utilities, vehicle registration, library information.
Service to the Citizens: - Social Security, United States Postal Service, and Veterans Administration information and services.
Info/Kansas: - disaster relief, flood victim resource information.

These examples from Government Technology - Managing State and Local Government in the Information Age May 1994, are provided to demonstrate the range of services now being delivered through ATM or touch screen access.

The final area that is emerging is the use of the touch tone telephone to make payments. While in its infancy, the concept of being able to pay bills and taxes by phone will be attractive to a segment of the population. What the take up will be in the coming years is not yet proven. However, the possiblity of paying routine items by touch phone opens up great possiblities in the area of tax collection. If the customer is willing to wait then items such as birth certificates, fish and wildlife licenses and permints could be mailed to them even though ordered and paid for over the phone.

We are just beginning to understand the power and versitility of these new technologies as they apply to government services. Without question, they will have an impact on the routine revenue collection process. If they can be

introduced rapidly enough then the customers expectations for improved face to face service when confronting a problem will be possible. In fact the goal should be to increase and improve complex problem solving capabilities as the new technology removes routine work.

Monitor Important Stakeholder Groups

Recent demographic studies (1991) of British Columbia indicate that growth will continue on the east side of Vancouver Island, the Lower Mainland and the Okanagan. The remainder of the province will not grow as rapidly. In specific areas 'spikes' of population growth will occur but it is predicted that they will not be sustained. The primary destination of new Canadians has been the Lower Mainland. Since Government Agents do not serve this area the demand for services in a variety of languages has not been great. However, a recent survey discovered that services could be offered in 36 different languages from existing staff throughout the province. A network of personnel can be established to meet the needs of most language groups. At the same time efforts are made to meet the various needs of immigrants through the provision of signs in the prevelant languages in specific offices. The GAs are conscious that new hiring should consider the language needs of their communities..

It is generally felt that there will be a growing role for Government Agents in the provision of services to aboriginal people as the land claims issues are negotiated. In specific communities special services are provided such as the tracing of birth mothers and issuing of birth certificates. At present the informal view is that services to aboriginal people is not increasing. The targeting of increased services was mentioned in a number of the SWOT exercises.

Informal samples of access to services for the disabled indicated that while the majority of offices are accessible, not all are. In some cases they need to ring bells for people to assist, in others they must be carried up stairs before they can get to the GA office. GAs who do not have disabled access all indicated that they had put in for the needed changes but that they had been lost in the budget process.

Analysis of existing Government Agent customer Satisfaction Surveys

Two studies, conducted in April and October 1992, both indicate a high degree of satisfaction with the services provided by the Government Agents. The Campbell Goodell Consultants Ltd. study of April, 1992 indicated that 85% were rating the service as good or excellent. At the same time they noted an improvement of service int he Access Centre communities of 25 to 30%. The Coast Research Resource study of October, 1992 uncovered even more supportive information. The friendliness, helpfullness and ability of the counter staff were all rated at 96 and 97% of the customers being satisfied.

The only area in the two studies which rated below average was the parking. It is important to note that low parking ratings were found in specific offices with an equal number (6) offices being rated as excellent. Four of the low rated offices were found in the larger urban areas with limited parking available. (Eg. Nanaimo, Maple Ridge, Prince George and New Westminster.)

A recent omnibus survey (March 1994)included questions about the Government Agent services. Again the friendliness and courteousness of the service was indicated by 76% of the people surveyed. Concern was expressed about the speed of the service which only received a 32% rating. 36% of those responding indicated that the least liked aspect of Government Agent services was the long lineups.

A weakness of the survey was the fact that the survey covered all areas of the province including the Lower Mainland and southern Vancouver Island, both areas which do not offer services through the GAs. Those who were not familiar with the service tended to rate the services more negatively.

Finally, customer exit surveys, have been carried out in May and June which support the earlier studies in most cases. There is a high degree of satisfaction with the Government Agent services delivered in the province. The full study will be contained in the appendix.

5.3.3 Internal Environmental Assessment

Identify those aspects that help or hinder the organization's mission and fulfillment of its mandate.

Only one region developed a mandate statement and a vision statement. For the purposes of this part of the study we will use the mandate and vision statements developed in the Terrace region as the basis for analysis for helping or hindering the mandate and mission.

Mandate:

Government Agents provide service:

- to the PUBLIC on behalf of client ministries;
- to the GOVERNMENT through the provision of information, protocol, clippings, secretariat, facilties and acting as the 'face of government' in the community, and;
- to the COMMUNITY through providing coordination, facilitation, liaison, bridging and through acting as the pulse of the community.

Vision: For Government Agent offices in 5 years time.

- Routine revenue collection will be reduced.
- Complex revenue collection will be retained and extended.
- The role of being the 'human face' of government will be increased.
- Service delivery on behalf of the ministry of SBTC will be promoted.
- A marketing plan will be operational to extend services to all levels of government, the private sector and communities.
- An equitable workload measurement system will be in place to allow for fair reallocation of resources.
- Consistent standards of core service delivery will be in place throughout the province.
- Competitive technology will be in place.
- Ensure that aboriginal and other minority user groups have access to government services.
- Communication with client ministries and internal communication clarified and implemented.
- Office design consistent with new service delivery model.

The regional SWOT exercises produced a number of factors in the strengths section of the activities which could be viewed as helping to achieve the mandate for the Government Agents.

The **strengths of the Government Agents that relate to the basic mandate** of delivering government services to the public and providing community access to the Government are as folllows: (As drawn from the SWOT analysis)

- geographic location provides services to the public in 60 communities distributed throughout the province with the exception of Greater Vancouver and Greater Victoria. While the distribution is not perfect the majority of the citizens who do not reside in the large urban areas are well served.

- The service orientation of the staff combined with their skills, knowledge and abilities make them ideally suited to the delivery of the services and for providing community access to the Government.

- Customer surveys indicate a strong rating for the 'one stop' service delivery model offered by the GAs.

- Their overview of government programs combined with their problem solving ability further achieves the mandate of service delivery and a window to the community for the Government.

- The cost effectiveness of GAs in the delivery of services was confirmed by a number of client ministries. Their financial management skills provides the client ministries with confidence regarding the revenue collection aspect of their work. The GARMS system is viewed by both the GAs and the client minstries as a sound and effective revenue management system.

The **weaknesses of the Government Agents as they relate to the basic mandate** are as follows: (Drawn from the SWOT analysis.)

- The lack of up to date technology and incompatible and inconsistent systems both make the task of delivering services to the public and presenting the Government to the citizens a difficult and a time consuming task.

- Poor communication with client ministries and the lack of participation in client program development both lead to reduced quality of service delivery to the customers. Lack of up to date protocol agreements and the lack of training in the client ministry programs also contribute to reduced quality.

- The lack of an overall direction for the Government Agents, the sense that they may be in the wrong ministry and competition between regions all point to problems in the delivery of services to their customers.

- Lack of a marketing program means that a number of potential customers do not know of the Government Agents services. (Only 62% of those in an Omnibus survey knew about Government Agents in the areas where they operate.)

- A desire to shape the days and hours the service was open as well as the desire to meet peak loads were potentially hampered by the lack of flexibility in current work arrangements and possibly a lack of resources for change.

Identify Major Categories to be Assessed

1. Resources, Human and Other

Human resources may be adequate. However, the need for an agreed upon workload measurement systems has been identified. The goal is to provide clear information that will allow for the allocation of resources between regions and within regions. The customer satisfaction surveys indicate a high degree of satisfaction with the service. Indeed Government Agents offices are rated higher than all other services provided by other levels and government and the private sector such as banks. This level of acceptance may indicate a service delivery level that exceeds expectations. The implications are that there may be room for

increased service delivery. It would appear that the challenge of finding the resources necessary for the upgrading of the technolgy must be found internally or in partnership with the client ministries.

2. Infrastructure - 60 offices throughout the province

The existing infrastructure of 60 offices throughout the province would seem to serve the majority of the ministries very well. However, there are some regions of the province which are not currently served where client ministries would use the service if it was available. (Eg. Parksville and Castlegar) If a 'one stop' approach were desired in all areas of the province the two large urban areas do not currently have 'one stop' offices. Recent meetings with client ministries suggested that existing infrastructure such as the MVB offices could be used to provide 'one stop' access for the public at reduced expense.

3. Performance (outputs)

Performance output measures have been put in place for this study. While they are the first attempt to systematically collect information on the non-revenue services and the administrative tasks carried out, the revenue information has been collected for a number of years. While these measures will provide a base-line for future interpretation of the workload they do not have standards attached to them through the protocol agreements with client ministries. More work is needed to determine the nature and type of standards which should be expected by the client ministries as a part of any renewed protocol agreements.

4. Public expectations

The public is currently very satisfied with the services provided by the Government Agents. In spite of the satisfaction there are a number of features that have been suggested for improvement of the service:

- Open more hours.
- Open on Saturdays
- Improve parking in a number of locations
- Open during lunch hours (some offices only)

5. Client ministries expectations

Client ministries were provided an opportunity to indicate their views on a number of key issues:

- On technological upgrade and change it was agreed that joint activity was needed to create the resources necessary to make a number of the changes needed to improve the services to the customers. The partnerships should involve the Government Agents, client ministries and in some cases the B.C. Systems Corporation.

- On the issue of whether or not Government Agents should have a presence in urban centres it was agreed that any effort in that direction should examine the use of existing infrastructure such as the MVB to extend the services.

- On the question of the Government Agents customer focus and the client ministries legal focus it was agreed that basic legislation and policy must be followed and that a government wide Common Service Standard should be established to determine: Payment methods and finance requirements; ID requirements; Eligibility requirements and common definitions terms such as married/disabled/time.

- Client ministries saw the need to negotiate with them to cover the cost of increased service delivery. When new programs were proposed for delivery by GAs it was agreed they should go together to TB for resources. They agreed as well that the reallocation of resources between regions and within regions was a necessity. The use of technology was viewed as one means of reducing the workload to meet the increased service demands.

- The finding of alternative delivery mechanisms for services with a low problem solving component was agreed to by client ministries. However, they felt that the issue was a matter for negotiation and discussion not for unilateral action.

- A number of options emerged with regard to paying for increases in service. With the exception of one ministry there was a consensus that charge backs to the client ministries would not be appropriate. It was felt that it would create additional work and tracking that would not, in the end, benifit either the customer or TB. The single ministry believed that it would lead to a more equitable sharing of the cost of GA services and that it would not be a difficult or time consuming task to do the charge back approach. Fee for service received a mixed response. Those ministries currently charging a fee for service or paying an amount to the seller indicated they would have no problem with the GAs collecting that amount if they provided the service. Other ministries indicated that if the transaction was a tax collection no fee should be charged. There was a high degree of consensus that the Government Agents and the client ministries should go together to TB when new services are planned. Combinations of the above were also recommended.

6. Customer expectations

(See public expectations # 4)

7. Value added components

The basic thrust arising from SWOT meetings and meetings with client ministries is that the volume of routine activity is going to decline but that the need for more 'value added' services that will involve more complex problem solving will increase. This strong belief will shape the nature of the business plan and the overall concept for the Government Agents.

5.3.4 Effects of Outputs on Client Ministries and Customers

Three factors should be considered to judge the impact of the outputs on Client Ministries and Customers:

* What criteria would client ministries use to judge the outputs?

- Cost effectiveness?
- Compatibility of systems?
- Do GAs cover the market?
- Is it cost effective to train GA staff?
- Is the error rate acceptable?
- Is the customer being served in a timely manner?

* The Protocol agreements should reflect the consensus of the GAs and the client ministries.

* Future protocol agreements need to be monitored and reports filed to ensure the criteria are being met.

Identify Strategic Issues Arising from SWOT Analysis

A sequence of issues arose during the SWOT analysis which point to critical strategic issues which must be addressed in the selected option for the new business plan.

* Budget deficits are a reality that every government department must face. Hard questions regarding the future of every service are being asked. The prospect of budget increases are slim. The reality of continued budget reductions is clear. The judgment is whether to wait out the issue or take action to secure the services into the future.

* Paying for increased services must look to new sources of funding. The existing limitations placed on budgets forces a search for alternatives. Fee for service and charge backs are alternatives that must be considered if the service is to become more self sufficient.

* Customer service expectations are shifting. They want better access to the services through improved hours and days of operation. They are also using technology for many similar services in the private sector and the expectation is that these services will be available.

* Population growth in parts of the province will outstrip the ability of the GAs to respond. While some reallocation may look after the problems in

the short term the long term prospect of flat budgets means it will be difficult, if not impossible, to meet the demand unless new solutions are found.

* Incompatible computer systems need to be addressed on a government wide basis. The cost of double entry, the duplication of effort and the 'stove pipe' approach of many ministries regarding computer systems should come to an end.

* Government Agents are a cost effective means of delivering services. With the exception of MVB in some of the larger offices volumes are not large enough for client ministries to set up cost effective stand alone offices. The study shows that ministries should consider the use of GAs as the most cost effective means of delivering services.

* The option of privatizing services remains a choice for client ministries. Alberta has moved to privatize many, similar services. Client ministries have used private sector operators to deliver their services. GAs must be competitive with the private sector if they begin to charge back for services or if they implement a fee for service.

6.0 FUTURE OPTIONS

The following options are presented for changes to the services delivered, the organization and delivery methods of the Government Agents:

a. OPTION 1

The structure and organization would remain much the same. However, elements that have been identified as needing attention would be improved.

- Staff reallocation would be implemented after a fair workload measure had been established and new data gathered from the offices during two sample periods.
- New protocol agreements would be negotiated to include performance standards and training commitments.
- Common service standards and common definitions would be established in conjunction with client ministries to improve customer service.
- GARMS would be updated to improve capacity to deliver reports to client ministries and to prepare for new forms of electronic revenue collection.
- Client ministries and GAs would collaborate to create computer systems that will 'talk' to each other. The goal would be to ensure that double entry of data is eliminated in the near future.
- New services would only be taken on if the workload did not seriously impact service quality or if they are funded. Client ministries would pay for growth in service demand or join with the GAs in seeking additional funds from Treasury Board.

b. OPTION 2

This change would include all of the above features and the following changes:

- Negotiations with client ministries regarding payment for services would include both charge backs and fee for service. Charge backs involve the ministry paying for the service on a per transaction basis. Fee for service would mean that the customer would pay an additional fee for the service at the time of the purchase.

- Ministry staff, assisted by secondments from the field, will carry out negotiations for new protocol agreements, including charge backs and fee for service, with the client ministries.

- Improved technology would be funded through joint Treasury Board submissions by the client ministries and the GAs.

- Pilot projects in satellite offices and payment by credit/debit card would be implemented and reviewed to determine their cost effectiveness.

- A marketing plan, focused on client ministries, would be developed to establish that GAs are a cost-effective means of service delivery. The plan should emphasize the value-added capabilities of the service. Another marketing plan, aimed at raising overall awareness of GA services and specifically targeted to minority groups would also be implemented.

The option to utilize the private sector for the delivery of service would still be open to client ministries. Currently services such as ICBC, MVB licenses and Fish and Wildlife licenses are sold through private sector agents. Funeral Parlors sell death and burial certificates. Hospitals are piloting the sale of birth certificates on behalf of Vital Statistics. Alberta has moved to the private sector to deliver many of these services.

The presence of private sector options provides both competition and an opportunity for GAs. The competition factor creates a focus for the delivery cost of services provided by GAs. Information on the cost of delivery for GAs compares favourably with the limited information available for the cost of delivery in the private sector. The presence of private sector competition results in ongoing efforts by GAs to provide services at competitive prices. The opportunity provided by the private sector is to pass on more routine services. The great value of GAs is their knowledge of the programs and services. It is anticipated that there will be a growth in the need for more complex services and a decline in the routine services as technology replaces 'face to face' service in some areas.

Both client ministries and GAs would monitor their service costs to ensure that the most cost effective delivery is being utilized.

Features of such a monitoring system would include:

- Joint committees of client ministries and GAs to monitor volumes and service standards.

- A review of the cost of service delivery would be carried out every 3 years. If the cost of delivery could be lowered by more than 10% by moving to the private sector that option should be pursued.

- Any increase in fee for service or charge back that may be instituted as a part of a move to the private sector should open for Government Agents to bid on along with the private sector.

c. **OPTION 3**

Government Agents provide service to the people of British Columbia for client ministries. To prepare for changes in the nature of service delivery in the future, Government Agents must establish new relationships with the Ministry of Small Business, Tourism and Culture, Treasury Board, Client Ministries and Government. More flexibility is needed in the operation of GA offices, at the same time entrepreneurial activity needs to be enhanced. A number of initiatives within the Provincial Government point to the need to find better ways to deliver services to the public. The Public Service employee Relations commission and the B.C. Government and Service Employees' Union recently signed a Memorandum of Agreement which targeted the development of more effective ways of delivering provincial public services. Some key objectives of the agreement are as follows:

1. assisting in the ability of line employees to make decisions about their work;

2. streamlining the decision making process within government;

3. identifying redundant work practices;

4. enhancing the delivery of services to the public in an efficient and cost effective manner;

5. reducing the requirements of rules and reports and other unnecessary bureaucratic requirements which contribute to unnecessary administrative work; and

6. advising on the appropriate and creative use of information technology to support public service objectives and assist public service employees to do their work effectively.

These objectives parallel some of the conclusions reached regarding Option 3 for the Government Agents. The focus on improving customer service, the need for more flexibility in providing the service and the desire for clear accountability with the client ministries all parallel the Memorandum of Agreement. The thrust for change is found in a number of references. Reinventing Government by Osborne and Gaebler call for 'Customer driven government: Meeting the needs of the customer, not the bureaucracy.' Other authors have been calling for new structures to achieve these goals. David Roth in Optimum, Vol 21-3, 1990/91 and

I. D. Clark in The Journal of Public Sector Management, Vol 22-2, 1991/92 both make reference to the qualities needed in emerging organizations if they wish to achieve the goal of improved customer service. Here are some of the characteristics they list:

Roth: 1. Promote cost-effective and more business-like services;

2. Improve service to the customer;

3. demonstrate government action and concern for efficient management; and

4. promote innovation and initiative in the service delivery workplace.

Clark: 1. Improving service to the public;

2. innovation and empowerment;

3. management of human resources; and

4. accountability.

The question that arises is what structure would adequately contain the many needs of a customer driven workplace? Osborne and Gaebler point out that government services cannot be asked to meet the 'bottom line' test of the private sector. Workshop discussions on franchising Government Agents led to the conclusion that it simply would not work because many of the services do not have a 'bottom line'. One of the key functions of Government Agents is problem solving. The function is often time consuming and would therefore not be an appropriate 'bottom line' type of service where volume and speed is the basis of profit. On the other hand it is apparent that income from some of the services offered would become the basis for paying for increased volume of services and for making the shift to modern technology. Roth listed the necessary characteristics for a government department to become 'customer driven':

- "be discrete units large enough to justify change....;
- be wholly concerned with the delivery of services to the public, private sector or government;
- be independently accountable within their parent department;
- be capable of subjection to market discipline or otherwise to the development of performance standards;

- offer potential for performance improvement;

- currently operate under a stable policy framework with a clear, ongoing mandate, thereby being able to establish clear performance goals and have their achievements measured; and

- demonstrate a clear senior management commitment...."

Many countries have adopted variations on this new, semi-independent form of government service delivery. Australia, through their Department of Administrative Services, has begun to charge for services "that had formerly been provided 'free' or in some cases on a partial cost recovery basis." (Directions in Government, June 1993, Australia). Their highly successful program stressed the importance of union involvement in the implementation of the changes. New Zealand and the United Kingdom have both implemented programs which focus on improving services while at the same time balancing budgets through cost recoveries. Schumacher in Small is Beautiful insists that the relationship between the field and headquarters must be turned on its head. According to Schumacher it is incumbent upon the headquarters to prove to the field why a rule or regulation is needed, not upon the field to prove why a rule or regulation is not needed. Reinventing Government, an American publication, is filled with examples of the new style for delivering services to the public.

The Process and Issues to be Addressed in Creating this Unique Status for Government Agents.

An excellent opportunity presents itself to join the latest thinking in the effective delivery of service to the public with the existing initiative of the BCGEU and PESRC and the new business plan for Government Agents. Planning would have to involve all of the parties from the beginning. The Strategic Directions Working committee of the Government Agents would need to be supplemented with BCGEU members immediately. The new, expanded Working Committee would work with the BCGEU, PSERC and Treasury Board to establish the exact nature of the new arrangements and negotiate the framework for dealing with the issues. When considering the issues, responses will be based on a balance between customer service focus and cost. The issues have been divided in two to provide focus. However, the two lists impact on both parties:

Some of the key issues for Employees and Government Agents to improve customer service:

1. Find ways to improve decision making of employees about their work;

2. Identifying redundant work practices;

3. Creating more flexibility in hours and days of operation;

4. Creating staffing flexibility to meet peak loads;

5. Career paths at all levels;

6. Dealing with the impact of technological change;

7. Ground rules for dealing with Client Ministries;

8. Note that workers and managers will remain within the public service.

Some of the key issues for Treasury Board and Client Ministries in seeking improved customer service:

1. Degree of accountability;

2. Degree to which Government Agents will become self supporting;

3. Service improvement measurements;

4. Timelines for achieving the targets;

5. How to streamline the decision making process within government?

6. Special financial arrangements such as STOB flexibility and savings carry over.

This new status would emerge as a middle ground between crown corporations and ministry departments. Employees would remain as members of their home ministry and continue with all the benefits as if their status had not changed.

The literature indicates that this new structure is best suited to departments that provide service to the public or to government. Government Agents serve both the public and government. They would gain their status through a written agreement with their ministry and/or treasury board that outlines the specific performance or income targets that will be achieved over a specified period of time. For that commitment they receive freedom from traditional budget restrictions and are free to negotiate with the appropriate union for more flexibility in hours and days of operation and such items as the use of part time employees. The ability to save money from year to year, to cut costs and use the savings for other purposes and to improve service and sales all are designed to create an incentive for the people in the department to operate efficiently. Consequences for not achieving the target commitments made to the ministry and the government would need to be negotiated.

The following are the additional features to OPTIONS 1 & 2 statements that would be features of the new status for Government Agents.

- Agreement signed with the Ministry and Treasury Board regarding targets for the GAs in the percentage of their operating costs per year that will be recovered by the end of a five year period.

- Client Services & Regional Support Services will set policy and negotiate agreements with client ministries and treasury board in consultation with the Regional Directors. Additional analyst services will be needed to ensure realistic targets are negotiated.

- Regional Directors will be responsible for the operating budget and for leading the management of this new status in consultation with the GAs.

- Treasury Board support for the chargebacks and fee for service would be required before embarking on this path. Initial discussions point to the willingness of ministries to consider chargebacks or fee for service in light of budget restrictions.

- Client ministries would be required to make a case for direct delivery of service if they did not use the services of GAs.

d. **OPTION 4**

The final option is to fully privatize the services of the Government Agents. Two choices regarding privatization would exist:

1. Turn back the services to the client ministries and allow them to negotiate with private carriers for the delivery of their services. This option would mean an end to the 'one stop' approach offered by Government Agents.

2. Offer employees the opportunity to bid on specific offices and to continue to deliver the services on a 'one stop' basis.

The choice is important because of the recent federal/provincial discussions regarding the need to simplify the delivery of services to the public. The selection of the first option would complicate the service delivery in a number of small communities where GAs currently play a key role.

7.0 ANALYZE OPTIONS AND PREPARE RECOMMENDATIONS

Comparison Between Options

The comparison of options depends upon the criteria used to judge their value. Some values, such as customer service, remain prominent in all of the options. However, other values such as self sufficiency may point clearly to those options which secure resources to pay for the services. Still other values involve the entrepreneurial approaches versus the stability of government employment.

OPTION 1 provides the least change in operations. It deals with many of the issues which have come forward and takes the majority position on issues like charge back and fee for service. While recognizing the need to secure more resources to maintain service quality in the future, it does not resolve the issue of static or declining budgets and reflects a belief that the service is highly regarded and will survive budget cuts.

OPTION 2 contains all of the elements of OPTION 1 plus staffing support for negotiations in both protocol agreements and payment for services provided by the GAs. The charge back and fee for service positions are not the majority view of the client ministries nor of the Government Agents, yet they offer a way of assisting government to resolve our deficit problem. Additional features of OPTION 2 are the development of a marketing plan, pilot projects in satellite offices and joint client ministry and GA approaches to Treasury Board for improved technology.

OPTION 3 provides for the improvements noted in the first two options plus a new operating structure that would allow much more freedom in budgeting and staffing. At the same time clear expectations and targets would be established for the Government Agents regarding cost recovery for services provided. This status, somewhere between a Crown Corporation and a department in a ministry would allow staff to continue as ministry employees.

The Private Sector option should be present at all times. Cost factors may forces consideration of this option. Criteria should be established to ensure that the lowest cost, consistent with specific levels of service quality are in place to ensure against 'lowest cost' damaging service quality.

Strengths and Weaknesses

OPTION 1

This option addresses many of the major issues. However, it does not address the issue of cost recovery for services delivered. Consequently, the possibility of future budget reductions will directly impact the future of Government Agent offices.

OPTION 2

This option addresses many of the major issues and begins the process of addressing the issue of cost recovery. It addresses all of the major issues that were raised during the interviews and the SWOT exercises. It does not allow Government Agents the flexibility necessary to meet some of the emerging service needs of the customers and the client ministries in a fast, efficient manner.

OPTION 3

This option has the possibility of addressing all of the major issues that have been identified in the study. The strength is that it provides a framework to address all of the issues in an entrepreneurial manner. This approach has the possibility of securing the future of the service by providing a challenging, open framework for Government Agents to establish targets for revenue and service delivery. While there is some risk in setting targets for cost recovery, the benefits of creating more flexibility to manage and focus on the needs of the customers and the client ministries far outweigh the dangers.

OPTION 4

This option provides an opportunity for client ministries to examine other methods of service delivery. However, the quality of service and the existence of the Government Agents could be threatened if this option is pursued in an unrestricted manner. Thus the option of the Government Agents working with the client ministries to ensure service quality is balanced with cost effectiveness has been proposed.

Summary of Costs vs Benefits of each Option

OPTION 1

All of the suggested improvements would be dependent upon finding the money internally or receiving additional funding from the client ministries or Treasury Board. The most critical factor is the growth in demand for the services. GAs are a cost effective means of delivering face to face services in all areas. At present

there is no provision for increased budgets when volumes increase. The improvement of aging technology and systems would also be dependent upon money being found internally.

The meeting of these demands may be solved for a period through the elimination of certain offices to free up funds. However, the long term prognosis would mean that the service would continue to shrink over the years.

OPTION 2

The addition of fee for service and charge backs as new sources of revenue for the Government Agents to offset their costs of operation would be targeted to cover the cost of increased service demand and the improvement of technology. To achieve these cost recovery goals staff would be needed to carry out the negotiations. Advancement in the areas needing improvement would be tied to the successful implementation of cost recovery programs.

OPTION 3

The Government Agents, in partnership with headquarters and the regional directors, would take control of their destiny. An entrepreneurial climate would be created that would challenge the GAs to find solutions to cost recovery, new markets, cost cutting, saving for major changes in technology and increased service demands. The accountability would rest with the GAs to meet targets and secure money to make the improvements necessary to move the service forward.

OPTION 4

Challenging the first three options would be the possibility for client ministries to show that through privatizing the functions they could maintain service quality and cut costs when compared to the cost of operation of the GAs. Client ministries will be looking for the most cost effective means of delivering service as budget restrictions continue. The presence of this option will ensure that the Government Agent continue to deliver cost effective services.

Other Criteria

The criteria developed at the beginning of this section point to judgments that go beyond the issue of cost effectiveness. The broad concerns that are affecting government services on a world wide basis dominate the more immediate issues facing decision makers. The following are some of the key criteria for consideration:

- Does the solution assist the government with the solution of the deficit problem?

- Does the solution sustain the quality of service for the citizens of the province?
- Does the solution create a climate that encourages workers to renew and revitalize their service?
- Does the solution challenge the staff to meet targets and find solutions in a creative, entrepreneurial manner?
- Does the solution provide security and stability for the staff?

Ranking of the Options

Applying the additional criteria and the analysis of the options the following is the rank order:

1. **OPTION 2**

   This option provides the beginning position for the changes needed to improve the services of the GAs.

2. **OPTION 3**

   This option should be the ultimate goal of the ministry and the GAs. While it will take time for the key elements of the recommendation to be negotiated and implemented, it is clear that this type of entrepreneurial approach will serve the government, the employees and the citizens most effectively.

3. **OPTION 1**

   This is the 'safe' option which reflects a minimum of change and does not meet all of the problems presented by the study.

4. **OPTION 4**

   The traditions and values of the Government Agents make this the least attractive of the four options. The loss of the GAs would be a severe blow to the remote communities of this province.

8.0 NEW BUSINESS MODEL

Mandate

The mandate of the Government Agents will remain the same. They will provide service:

- to the PUBLIC on behalf of the client ministries;
- to the GOVERNMENT by providing information, protocol, clippings, secretariat and facilities services;
- to the COMMUNITY by providing coordination, facilitation, liaison, bridging and through acting as 'face of government' and feeling the pulse of the community.

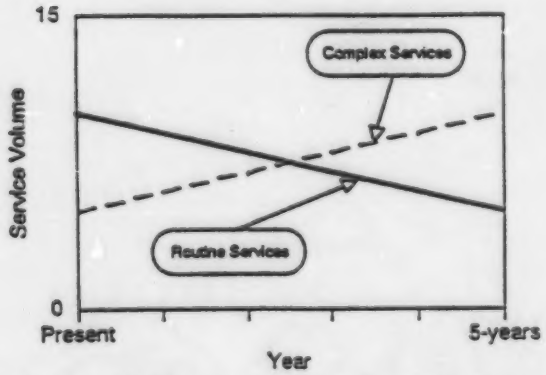
Services

There will be a continuation of existing services. Over the next three to five years there will be a sequence of negotiations with client ministries, which will involve treasury board, regarding protocol agreements, fee for service and charge backs.

The service goal over the same period will be to replace routine revenue and non-revenue service delivery with more complex, problem solving services as cheaper more convenient forms of revenue and non-revenue service delivery are found and implemented.

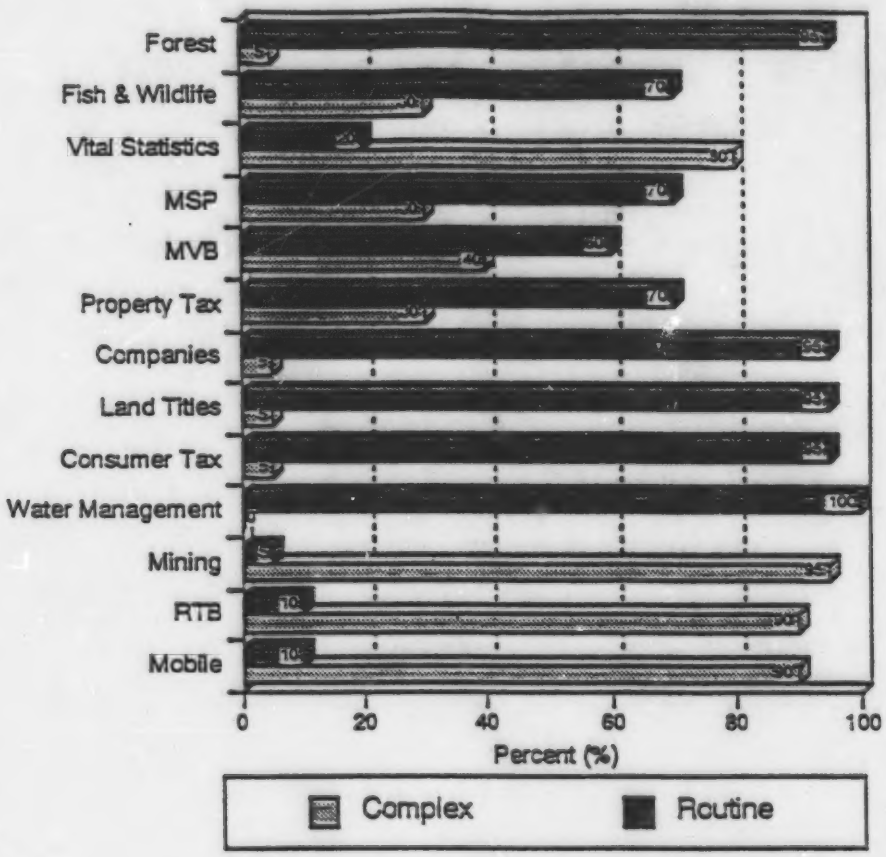
A focus group was used to determine the percentage of both revenue and non-revenue services which were complex and routine. The following graph illustrates the trends identified by the group of Government Agents.

Illustration of Service Volume Trend by Complexity of Services

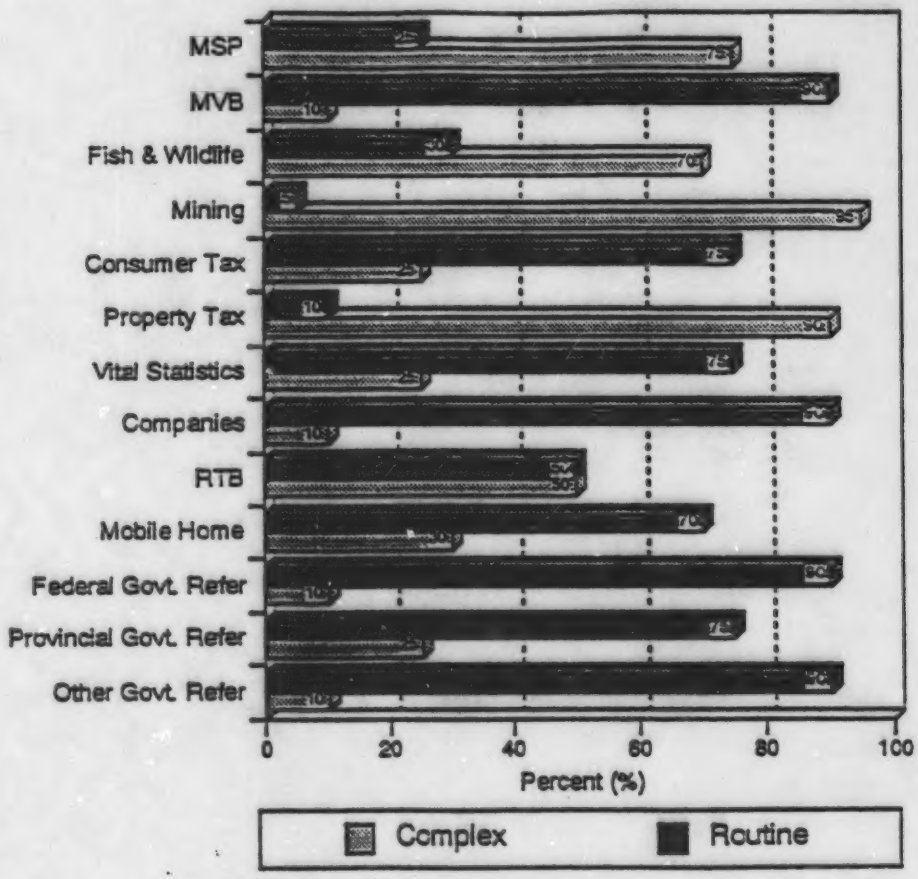


The two graphs on the following pages indicate the breakdown of revenue and non-revenue services according to whether the service was routine or complex.

Breakdown of Major Revenue Services by Complexity



Breakdown of Major Non Revenue Services by Complexity



The significance of these two graphs points to the areas where GAs should be focusing their efforts to increase their business. Those areas which indicate a high degree of complexity should be pursued. Those areas which indicate a high degree of routine activity should be viewed as probably declining in the future.

Customers

Customers

Efforts will be made to market the Government Agent services to potential customer groups. Specifically targeted groups will be aboriginal people, ethnic populations and the disabled. At the same time increasing the overall awareness of Government Agents and their services will be the aim of the marketing program.

Government Agents will continue to play a key role in providing the value added, problem solving component of those routine services which are moved to more accessible and cost effective means of delivery.

Growth in customer transactions will be covered by recoveries from fee for service and charge backs. New services will have a built in agreement regarding payment and increase in volume of transactions.

Client Ministries

Negotiations with client ministries must be carried out with a sensitivity to the problems faced in instituting new charges. The $ 10.00 fee instituted by the Ministry of Health to pay for re-issuing lost Care Cards will produce revenue of $300,000 per year yet concern was expressed in some quarters regarding the fee.

The evidence regarding the cost effectiveness of the Government Agents in service delivery in most areas should form a sound basis for discussions regarding the implementation of charge backs and fee for service.

Role

Government Agents will seek permission from the Ministry of Small Business, Tourism and Culture and from Treasury Board to pursue OPTION 2 immediately and to begin discussions on OPTION 3 in the near future. The goals of OPTIONS 2 and 3 are as follows:

- To improve customer service;
- To create more cost-effective and more business-like services;
- To support innovation and creativity in the workplace;
- To empower workers to solve problems;
- To manage the services and people efficiently;
- To create a high degree of accountability.

OPTIONS 2 and 3 are designed to provide the GAs with new freedom tied to a higher degree of accountability. The freedoms may include such items as:

- Savings may be held over year to year to achieve specific goals;
- Staff will be more involved in decision making;
- Financial flexibility will allow for regional and GA office priorities to be met;
- More flexibility for staff and managers re hours and days of operation will be sought;
- Redundant work practices will be reduced or eliminated;
- Career paths will be established at all levels.
- Freedom to negotiate services beyond the core offered will be available.

The accountability that will be expected from the Government Agents may include items such as the following:

- Protocol agreements will reflect the service standards of the client ministry;
- Specific targets for cost recovery through fee for service or charge backs will be negotiated with client ministries;
- The agreement with the Ministry and Treasury Board will contain specific service standards that will be achieved and the percentage of operating costs that will be recovered during the fifth year of operation.

Resource Implications

Money

The selection of OPTION 2 followed by OPTION 3 would provide for the Government Agents to achieve a significant proportion of their income to pay for their services in five years. While the cost to government would be reduced the cost to the customer would be increased. The GAs would be contributing to the solution of the deficit problem.

Technology

Payment for improvement in technology would be dependent upon the ability of the Government Agents to effect savings or increase cost recoveries. Cooperation

with client ministries is key to the Government Agents keeping current with technology.

People

The existing staff would remain. However, some reallocation of staff would be necessary to meet unequal workloads that exist in some parts of the province. Eventually, the revenue from cost recovery efforts would provide for increased staffing to meet service demands.

Two critical factors regarding the staff involve the creation of career paths for all employees and the involvement of staff in decision making. These two factors are critical if the creativity and energy of the staff are to be focused on improving the services.

Facilities

The facilities would be placed in the hands of the Government Agents and their Regional Directors. Responsibility for the management of the buildings would be negotiated with the B. C. Buildings Corporation. Decisions regarding space allocations and efficiency of design would become the management responsibility of the GAs and their Regional Directors.

Implications of the Implementation Plan

Great care must be taken in the implementation of the recommended options. Service delivery as outlined in OPTION 3 is new to British Columbia. There will be staff concern regarding their future and the risks involved in agreeing to targets for cost recovery. These concerns must be dealt with and staff must be allowed time to consider the implications and to make recommendations within the broad direction for specific improvements to the model.

9.0 THOUGHTS ON THE IMPLEMENTATION OF OPTIONS 2 AND 3

9.1 NEW RELATIONSHIP WITH THE CLIENT MINISTRIES, TREASURY BOARD AND CUSTOMERS

Client Ministries

The establishment of new relationships with client ministries will require negotiations to determine the potential for shared funding, fee for service or charge backs. The protocol agreements between the client ministries and the Government Agents that are to be re-negotiated will need to reflect such items as:

- clear service standards that reflect the legislated responsibility of the ministry;
- where appropriate, how the service will be paid for;
- service expectations regarding turn around time for licenses and certificates, wait times in line ups etc.;
- provision for payment to cover increases in volume of services delivered;
- agreements regarding sharing responsibility for technological improvements.

Treasury Board

Treasury Board will play a critical role in assisting the Government Agents to achieve the flexibility necessary to improve customer service. When the Government Agents begin to move from OPTION 2 to OPTION 3 they will work with their ministry and Treasury Board to determine appropriate targets for a portion of their budget to be offset by recoveries. The existing cash award program should be emphasized amongst all employees to ensure there is an incentive for creative cost saving measures. Improved flexibility should provide fertile ground for effective reduction of costs. Accountability is determined through agreements signed between the Ministry and Treasury Board. In this case the Ministry of Small Business, Tourism and Culture would negotiate with Treasury Board on behalf of the Government Agents.

Customers

The establishment of more flexibility will provide for improved focus on customer service. Better hours of operation, improved locations and more complex problem solving services will all enhance already strong customer relationships.

9.2 HOW WILL THE NEW BUSINESS CHANGE FROM THE OLD BUSINESS?

The mandate will remain exactly the same - "To provide government information and services to our customers and community access to the Government." Thus the business from a customers perspective will remain the same. It has been outlined earlier that there is likely to be a shift in services from routine to more complex. It has also been noted that this shift will be carried out in conjunction with client ministries and implemented when satisfactory alternative service delivery methods have been identified and implemented.

The area where significant changes will occur is in the relationship with client ministries, the Ministry of Small Business, Tourism and Culture, the BCGEU, Treasury Board and PESRC. Here the protocol agreements will come much more into play as issues of cost recovery, service standards and service improvements as well as hours of operation, financial flexibility and local responsibility and accountability come into play.

9.3 WHAT IS THE COMPETITIVE ADVANTAGE OF THE NEW BUSINESS PLAN?

A number of features emerge that will allow for the following to occur:

1. Staff will be more involved in decision making.

2. Financial flexibility will allow for regional and office priorities to be met.

3. Savings may be held to achieve specific goals in an office or a region.

4. Career paths will be established for all levels.

5. Hours and days of operation will be more flexible.

6. Redundant work practices will be eliminated.

7. A core set of services will be delivered in each region. However, beyond the core regions and individual offices may negotiate to offer additional services for other levels of government and the private sector on a cost recovery basis.

One possible competitive advantage will be the unleashing of a flood of creative ideas for saving money and expanding services. The goal will be to have every region searching for improvements in a cooperative way with other regions. The sharing of successful solutions will strengthen the 'family network' of GAs and promote a win/win climate.

9.4 SHOULD THE COVERAGE OF GOVERNMENT AGENTS SERVICES EXPAND GEOGRAPHICALLY?

Discussions on this topic with client ministries suggested that the cost of adding services in the two large urban areas of Greater Vancouver and Greater Victoria was too great. Consideration was given to the possibility of offering Government Agent 'one stop' services through another agency such as the existing Motor Vehicle Branch offices. While some people favoured the idea, conversations with the MVB pointed to already crowded parking lots and offices. They did not feel the idea was practical.

9.5 WILL THE STAFF NEEDS CHANGE?

It is anticipated that the present staffing levels will remain.

As the shift from routine to more complex services occurs the composition of the staff may need to change. Retraining should be offered to allow those who are handling routine services to be trained in the more complex services. Following the training there may be, in some cases, requests to be transferred to jobs which remain routine in their nature.

The implementation of an agreed upon workload measurement system will provide the foundation for the redistribution of staff through the regions and between the regions. The demographics clearly point to a need for change in staff placement.

9.6 WILL THE TECHNOLOGY NEEDS CHANGE?

There was a strong consensus in the field that the lack of up to date technology and the inconsistent and incompatible systems were a major weakness in their service delivery to the customers. It was also identified that the time spent entering data twice, in some cases, was a significant cost to government. For example, in two cases it is necessary for the Government Agents to receive the application information from the customer, enter it on a system and send it to Victoria where it is entered again because the systems are not compatible.

A further example of the need for consistent standards of data entry was highlighted by the following story:

> *A couple came into a Government Agents office to seek a marriage license and a fishing license. They were going fishing on their honeymoon. The marriage license was issued with a birth certificate as the identification. The fishing license required photo identification before it could be issued.*

The inconsistencies resulting from individual ministries each having their own definitions for a variety of terms is highlighted by the fact that there are eight different definitions of disabled within the ministries.

The difficulty of achieving agreement on the best system has stood in the way of creating a single standard which would allow all systems to talk to each other. Federal initiatives are under way to see if more consistency can be achieved within their ministries.

The need for agreement on the systems is fundamental to the improvement of the technology for the ministries and the Government Agents.

GARMS

The Government Agents Revenue Management System (GARMS) is generally considered to be an excellent revenue management system. Upgrading of the system could provide for revenue collection through ATM style debit/credit cards and create new reports as requested by client ministries.

The success of the system is underscored by the fact that other ministries are seeking to use the system apart from the Government Agents to handle their revenue management needs.

10.0 BUSINESS GOALS

Year One - September 1994 to August 1995

1. OPTION 2 will be fully implemented, OPTION 3 will be initiated:

- adjusted financial arrangements with the ministry and treasury board, including agreement to allow surplus over the agreed targets to be applied to extending the service area, improving the technology, employee awards for cost saving ideas etc.
- improved flexibility with staffing negotiated with the BCGEU and PSERC.
- clear accountability to the Ministry and Treasury Board for performance
- needed secondments will be in place for implementation and ongoing marketing and client ministry negotiations by October 1994.

2. Policy regarding cost recovery for services delivered will be developed in conjunction with the client ministries. The policy will include consideration of increased volume and new services as well as existing services.

3. New protocol agreements will be negotiated and signed with one third of the client ministries. Agreements will contain specific performance objectives for the delivery of the service. Training of field staff will also be a part of each agreement.

4. An agreed upon workload measurement system will be in place as the basis for any needed reallocation of resources.

5. Pilot satellite offices will be in place in three centres.

6. Hours and days of operation will be adjusted to meet public demand.

7. Customers and client ministries will be surveyed to determine new needs and levels of satisfaction with the service.

8. Review of all services delivered on behalf of ministries to be completed with the ministries. Wherever possible new methods should be found for carrying out routine services. The review should seek out new ways to deliver more complex services.

9. A marketing plan should be completed with a provincial focus. The plan should allow for linkage to the specific needs of each of the regions in the regional marketing plan while retaining the overall theme.

10. The first year will be to lay the foundation for the subsequent years and more particularly the process of cost recovery, therefore no targets will be set in year one.

11. Clear targets will be negotiated with Treasury Board regarding the % of the total operating cost of Government Agents that will need to be offset with cost recoveries or savings.

Year Two and Three - September 1995 to August 1997

OPTION 3 will be implemented and include the following:

- adjusted financial arrangements with the ministry and treasury board, including agreement to allow surplus over the agreed targets to be applied to extending the service area, improving the technology, employee awards for cost saving ideas etc.
- improved flexibility with staffing negotiated with the BCGEU and PSERC.
- clear accountability to the Ministry and Treasury Board for performance
- needed secondments will be in place for implementation and ongoing marketing and client ministry negotiations by October 1995.

The following additional features will be achieved in the two year time period following the negotiation of the above features:

1. By August 1997 40% of the full targeted cost recoveries negotiated with the Treasury Board will need to be secured.

2. All client ministries will have negotiated a new protocol agreement with the Government Agents that will include performance objectives and method of cost recovery for new, existing and increased services.

3. Offices will be restructured to be accessible to disabled.

4. Opportunities will be provided for all equity groups to join the Government Agent Service.

5. Special effort will be made to extend the services of Government Agents to minorities who do not currently use the service.

6. Career planning will be in place for all employees.

7. Government Agent offices will be physically restructured as needed to meet the new service delivery focus.

8. The process of resolving conflicting systems will be completed.

9. Joint submissions, with client ministries and possibly B.C. Systems Corporation, will be made to upgrade the GARMS system and to set the stage for the implementation of improved technology for routine revenue collection.

10. Discussions will be concluded with BC Intouch regarding the use of their system for routine revenue collection. If feasible pilot systems should be in place.

11. A simple credit/debit card system will be in place where appropriate. Premiums will be charged for the convenience of using the card and to avoid any reduction of provincial revenues.

12. A careful study will be completed to determine what level of technology is appropriate to the different volumes in the offices. (In some cases hand completion of forms may still be the most economic method for the completion of forms. Card impressions of credit/debit cards may be more cost effective if volume is low than implementing on-line services.)

Years Four and Five - September 1997 to August 1999

1. 100% of the full targeted cost recoveries negotiated with Treasury Board will be secured.

2. Protocol agreements will be revisited on a three year cycle to ensure they reflect the service needs of the client ministries and that the cost recoveries are realistic for the tasks performed.

3. Ongoing efforts to include equity groups will be in place.

4. Office structures will be reviewed to ensure they are the most cost effective possible for the tasks performed.

5. A full review of the effectiveness of the New Business Plan status will be conducted by the Auditor General during the 1998/99 year.

6. Routine revenue collection will be available through ATM machines (Possibly through BC Intouch) or through telephone payment.

7. Routine revenue collection reductions will be offset with increase in other forms of service that are increased through increased flexibility and improved marketing.

11.0 MARKETING PLAN

11.1 THE PLAN

There are two primary thrusts to the marketing plan:

- To secure more complex, problem solving business from the client ministries, other levels of government and the private sector.

- To increase the use of the Government Agents services in general and to increase availability to equity groups more specifically.

Replacement of the anticipated reduction in the volume of routine services with the emerging more complex services must be targeted by the marketing plan to ensure a smooth transition.

The need to increase knowledge and use of the Government Agents services will be a building block for the meeting of cost recovery targets. The Omnibus survey conducted in March 1994 indicated that only 50% of the population knew about their existence. Even in the areas where they carry out their services only 62% were aware of Government Agents. More particularly equity groups will be targeted to guarantee their access to the full range of government services.

11.2 TRAINING

The transition from delivering more routine services to more complex services will require special attention to the question of training.

1. Protocol agreements should set out specific responsibilities to ensure adequate training for Government Agents staff.

2. The regional representative assigned to each major ministry should also act as the training contact for each region. This will provide a single point in each region for communication.

3. Budget should be established for training in technology.

4. Every employee should be provided with an opportunity to take generic training in resolving more complex problems.

5. Those employees who find the adjustment to providing more complex problems will be provided with opportunities to seek a transfer to a position with more routine service.

11.3 ROLE OF GAS IN PROVIDING BETTER ACCESS TO SERVICES

Two issues are involved in the provision of better access to services.

1. Technology

The first is the future role of GAs in the shift to electronic payments for routine services. As the shift occurs questions arise as to how the GAs will relate to the services. If they are not a part of the emerging standards there is a danger that there will not be an understanding of the new service. It is important that GAs form alliances with the client ministries and/or BC Intouch to assist the process of shifting to electronic payments. A key role would be to act as the 'face to face' problem solving agent when the electronic process is not adequate to solve the customers problem. To ensure that GAs emerge with that responsibility close liaison with the client ministries will be necessary.

It is important to re-emphasize that the Ontario experience with Kiosk is that they need large volumes for the service to be cost effective. This lesson for British Columbia may infer that electronic services may only be practical in the larger centres. If that proves to be true it will mean that smaller centres will continue with routine revenue collections because the business case will not be possible for electronic payments at this time.

One model which should be considered for the future would be to emulate the service delivery methods of the banks. The placement of an ATM type machine in the lobby of GA offices with 24 hour access would improve access to service. At the same time the presence of the machines in the office could reduce the lineups and provide routine service in a cost effective manner. The presence of the GA to deal with any problems or more complex issues during the daytime hours would be very similar to the way banks function today.

2. Satellite Offices

The second issue is the provision of services in more convenient locations in the larger centres. The placement of satellite offices in malls in areas such as Prince George, Kamloops, Kelowna, Nanaimo and New Westminster has been discussed for a number of years. There has been strong support for the idea amongst GAs. Two factors have limited the shift. The first is the hours and days of work. It is felt that if the services are to be offered in malls they must remain open during evening hours and on Saturdays. To date the necessary discussion with the union regarding the variance of hours and days has not been carried out. A second problem

in access to the key data bases. It is felt that if the offices are open they must be open for all services. At present there has not been a concerted effort to secure the opening of the data bases for additional hours necessary to offer the services outside of existing 9:00 am to 4:30 p.m. hours of service.

Both of these issues must be addressed if the service is to be offered in satellite offices. The Government Agents have indicated that to open offices without staying open the same hours and days as the mall or not to offer a number of key services in the hours beyond regular working hours because the data bases are not available would be a mistake. Thus both problems must be overcome before satellite offices are opened in malls.

11.4 HOW WILL THE EXPANDED SERVICES BE PAID FOR?

The implementation of new technology and the opening of satellite offices will be difficult to fund given the static or declining budget picture. However, the new business structure in OPTION 3 should provide the flexibility both in budgets and operations that will be provide the potential for the resources to be found. The following are suggested scenarios:

1. In the field of technology the most important single principle is the need to establish strategic alliances with client ministries and BCSC. If the focal point is service to customers, issues such as 'control' and 'turf' must take second place to finding solutions that will provide better service to the client ministries and ultimately to the customers. Cooperative efforts must become the process by which improved technical solutions to routine revenue collections and information services will be provided at more convenient times and locations.

   While it is clear that individual ministries or departments will find it difficult to find the funds necessary to carry out the development and implementation of electronic collections, those same ministries can possibly find the funds if they work together.

   The Government Agents, under their new status, will be able to priorize their budgets, effect savings where appropriate, and if technical changes provide a sound business case to allocate the funds to make the needed changes.

2. In the case of satellite offices it has been suggested by field GAs that physical space could be reduced in the 'base' office to provide the funds for space in a mall. At the same time it is understood that the services in the mall would be staffed by reassigning staff from the 'base' office. There

would only be marginal increases in ongoing operating cost resulting from satellite offices locating in malls.

The new business status of OPTION 3 could provide the basis for 'profits' which could be used to establish new offices, where a business case could be made, to offer services in new parts of the region. Here the ability of the Regional Director to work with staff to determine potential new markets could act as an incentive for finding savings and increasing services to produce the funds needed for expansion.

11.5 HOW WILL THE SERVICES BE PROMOTED TO THE PUBLIC?

One of the concerns identified by GAs in the SWOT exercise was the fear that promotion of services to the public might only overload the system, creating longer line-ups and higher level of customer dissatisfaction. The conclusion is that any marketing plan must be carefully integrated with the emerging ability of the offices to manage any increase in demand. This issue would seem to vary from office to office. In some cases any significant additional workload would immediately create problems. In others there appears to be some space for a limited amount of additional service.

A number of potential avenues for promotion exist. It should be noted that a number of these are already being pursued by individual GAs throughout the province. There is little or nothing new in what will be proposed. The only new feature would be that it would have an overall provincial theme and/or slogan to promote the service. The individual regions would then adopt the theme to the particular needs of their area. The following are some of the suggestions:

- Production of an up to date brochure outlining the core services of all Government Agents should be produced with space for individual offices to outline the special services they perform and space for their phone number and address. The brochure should carry the overall theme and slogan of the GAs. The brochures should be placed in public places within the community and in places where equity groups have access. In communities with significant populations of new Canadians brochures should be produced in the appropriate languages.

- A slide or video show should be produced for each region that will be used as the basis for public speaking opportunities to promote the services. GAs would develop a systematic plan for spreading the word to a wide variety of community groups.

- Participation in such activities as service clubs, community activities in arts, service or sports can be an effective means of communicating the services of GAs to opinion leaders within the community.

- Write a column for the local weekly paper regarding special services that are offered or incidents where the GA was able to help a customer through a particularly difficult problem. This could be done on a rotational basis within a region and shared if it was written in a generic fashion.

- When special needs peak, services such as property tax payments could be advertised in the local paper.

- Market surveys could be conducted in the communities where the GAs have offices to determine which segments of the community are not being served. Then efforts should be made to target efforts to those segments.

- If the new status outlined in OPTION 3 is picked up by the Provincial Government Communications staff as a unique approach to serving the public more effectively they may advertise province wide to alert the public to the excellent service. (Theme - Government Agents - serving British Columbians since 1858 and still serving today in our electronic world.)

12.0 SERVICE SHIFTS

12.1 ASSUMPTIONS USED TO DETERMINE THE SERVICE SHIFTS

Through the process of interviews with GAs, Client Ministries, the Ministry of Small Business, Tourism and Culture as well as the SWOT exercises a theme emerged which pointed to the future reduction of routine services. The following evidence is presented in support of the opinions expressed by numerous people throughout the interview process:

- The Ministry of Forests has indicated that they plan to collect stumpage fees from forest companies through electronic transfer. While this represents a small percentage of the total transactions carried out by the Government Agents (0.3%) it represents 54% of the total revenue collected.

- The Ministry of Municipal Affairs, Safety Inspection Department is currently piloting the issuance of electrical permits and booking electrical inspections directly by contractors through lap top computers and modems. If the pilot proves successful they intend to expand the service to other areas of the province.

- Fish and Wildlife in the Ministry of Environment has begun the exploration of issuing licenses through kiosks. While the development of the service is still in the future the fact is the concept has been considered.

- Kiosk technology is currently providing service in the following fields in the United States and Singapore:

    - vital statistics
    - motor vehicle registration
    - health and human services
    - completion and printing of legal forms
    - State Health Insurance Plan
    - payment of utilities
    - library information
    - Social Security

- Touch tone telephone payments are currently in place in Langley for the payment of property taxes.

We are just beginning to understand the power and versatility of these new technologies as they apply to government service. Without question they are going to have an impact on the delivery of routine revenue collection and

information. Therefore we have assumed throughout this plan that there will be a reduction in routine services.

The second theme that emerged from our process was that the need to retain 'face to face' problem solving services was very strong. Client ministries presented a number of tasks which they would like Government Agents to deliver. The need to retain a government presence in smaller communities is also a part of the broader government objective of keeping the regions strong. The following examples highlight the assumption that face to face problem solving will grow in the coming years:

- The Medical Services Plan has found that people who do not have access to face to face services are unhappy with the centralized phone service in Victoria. They want to find a way to deliver the service face to face in the regions to parallel the regionalization of health care. The Government Agents have been approached to deliver the service.

- Residential Tenancy Branch has asked Government Agents to assist with the collection of delinquent accounts.

- Pilots are underway in the coliection of fines for the Attorney General.

- The Ministry of Forests sees an emerging role for Government Agents in monitoring cutting activities.

- The Ministry of Small Business, Tourism and Culture wants the Government Agents to deliver information on establishing businesses in conjunction with the existing services offered by many Chambers of Commerce.

- PSERC has asked to pilot employment information opportunities for equity groups in a limited number of centres.

As budget pressures grow and the desire to improve service grows, ministries are looking for cost effective ways of delivering emerging service needs. Because Government Agents have not historically charged for their services they are looked to as an economical solution to delivery problems for ministries. While cost recovery negotiations have not yet been tested, it is apparent that these services can be offered in all areas of the province in a cost effective manner because of the existing infrastructure.

Our assumption therefore is that there will be a growth in the need for complex, problem solving services.

13.0 PLANS TO ADD, REDUCE AND FINANCE SERVICE CHANGES

13.1 DESCRIPTION OF THE NEGOTIATING PROCESS NEEDED WITH CLIENT MINISTRIES.

Client ministries have made it very clear that any changes regarding services offered on their behalf by Government Agents should be handled through a process of consultation. While they recognized that changes may be needed in the way some of the services are delivered it was clear that unilateral action by Government Agents could place key services in jeopardy and could potentially add significant cost if they were dropped without warning.

It is clear that the re-negotiation of the protocol agreements would be the most logical method for dealing with a full review of the services offered. The position of the Government Agent negotiators should be to search for other methods of delivery for routine services and to seek out complex services.

13.2 DESCRIPTION OF THE FINANCING PROCESS FOR ADDED SERVICES AND FOR TECHNOLOGICAL CHANGES.

The prospect of static or declining budgets in the face of increasing demands for improved service is forcing a hard look at the issue of fee for service charges, charge backs and negotiated budget transfers for the delivery of services on behalf of client ministries. While there is resistance to aspects of cost recovery, there was support for each form of cost recovery from at least one source amongst Government Agents and Client Ministries.

The accountability aspect of OPTION 3 is based upon the establishment of clear targets of cost recovery and cost saving. Thus a keystone of the model is an aggressive approach to selling services and creating cost recovery opportunities. Indeed, any growth or extension in service offerings in the future, will likely need to be based on a cost recovery model.

13.3 CHANGES TO THE PHYSICAL PLANT NEEDS

The new model presents a number of opportunities for Government Agents regarding the nature of the physical plant.

1. Existing Government Offices could be re-configured to create lease charge savings. Resulting savings could be used to open satellite offices, purchase improved technology, add staff to reduce line-ups or to save the money to participate in significant technological changes.

2. Not all Government Agents offices are accessible to the disabled. Efforts to secure the money through the Treasury Board process has not proven

successful to date. A regional thrust to ensure all offices are accessible within a three year period should be initiated based on savings in other areas.

3. Negotiations could be undertaken to move offices to malls as anchor tenants that will produce higher traffic. Not only would the location overcome problems with parking and accessibility but also it would make the presence of GAs more visible and have the potential to increase the volume of services delivered.

4. The Access Centre concept needs to be revisited and consideration given to changing the charges for other ministries who occupy the Centres. At present the cost of public spaces in the centres is born fully by the Government Agents. Negotiations should be aimed at having the tenant ministries paying a share of the public spaces costs in line with their ratio of the office space.

The impact will be to put the responsibility on the regions regarding the appropriate space needed to carry out the functions. Savings accruing to the offices and allowing for other options will create a discipline based on individual office and regional priorities.

13.4 CHANGES TO TECHNOLOGY

The present technology operates on at least three systems. That means that staff serving customers must often move from computer to computer to meet the needs of the clients. A primary goal will be to adjust the systems to allow all systems to 'talk' to all systems. It would make a significant difference if staff could use a single computer terminal to carry out all their work.

The addition of new technology will require close cooperation with the client ministries and BCSC. The money necessary to make the type of system and technology changes that will allow for the efficiency cited above will be significant. Without cooperation there is little chance that efforts will be successful.

The goal would be to utilize technology to reduce the number of routine revenue and information transactions handled in the office to provide for the increase in complex transactions. The impact of making the changes could prove to be vital to provide for growth in complexity, number of services and volume of services.

13.5 CHANGES TO PERSONNEL

1. Career Path

The need for clear policies for personnel at all levels to see opportunities for advancement was called for in a number of the SWOT exercises. The opportunity for OA's to advance to clerks and for clerks to advance to Government Agents is important to the morale of all staff. One of the key factors that limits opportunity is the apparent lack of retirements over the next few years. It would appear that there is little movement from the GA role once someone has achieved that position.

The secondments that have been suggested for the implementation of the new Business Plan and the protocol negotiations with the client ministries should be utilized as an opportunity to second individuals to the vacated positions to gain experience in a leadership role. This may help to alleviate the lack of opportunities presented through retirement.

Further opportunities should be sought for secondments with the client ministries. Short term or long term trading of positions could benefit both Government Agents and the managers in Client Ministries. It is critical that the Government Agents explore possibilities of gaining experience in other ministries and look to the opportunity as an avenue to consider advancement.

2. Training

The new protocol agreements should reflect a higher level of commitment to training of staff when new programs are implemented or when old programs are revised. Experience to date reflects a neglect of the training for Government Agents by the Client Ministries when new or revised programs are introduced.

The shift from routine to complex services will require training for those who do not have experience in the more complex areas of service. It is possible that some staff will be uncomfortable with the shift. If, after experience, this continues to be true, opportunities should be sought for the individual to transfer to a job that is more routine.

Coordination of training should be carried out by the representatives selected by each region for each ministry. The single representative that would sit in on meetings between the client ministries and the staff assigned to negotiate new protocol agreements would also act as the contact regarding training issues and programs. The single representative would in

turn consult with the other regional representatives to ensure there is a coordinated province wide response to any training needs.

3. Attrition

Opportunities should be sought to provide increased access to equity groups. People with skills that would serve any concentration of language groups should be sought and hired. This would improve access to the services and provide employment opportunities for equity groups. It has been reported that current hiring practices have already created the ability to provide service in 36 different languages throughout the province. Any improvement in this area would build on an already solid base.

14.0 RISK ASSESSMENT

14.1 WHAT COMPETITIVE FACTORS COULD UPSET THE PLAN?

1. The private sector could prove to be more competitive in the delivery of a number of services. As client ministries seek to find more cost effective means of delivering their services Government Agents may not be able to compete.

2. Client ministries could 'go it alone' in creating technological solutions to their revenue collection.

3. BCSC could go directly to client ministries with their network and technology such as BC Online and leave the Government Agents out of the picture.

14.2 WHAT EXTERNAL FACTORS COULD AFFECT THE IMPLEMENTATION?

1. Failure to gain acceptance for OPTION 3 would limit the flexibility and thus the motivation to seek solutions internally.

2. Financial targets for cost recovery could be unrealistic. The shift from routine to complex will take time and reallocation of resources to technology. If the targets are too high or too fast there is a danger they will not be achieved. It will be important to set the targets realistically and if they are exceeded to readjust them on an annual basis.

3. Significant budget reductions resulting from a slow economy could impact the degree to flexibility available to the Government Agents to find solutions internally.

4. Client Ministries could reject any cost recovery efforts of the Government Agents unless there is Treasury Board involvement in the negotiations.

5. BCSC and/or client ministries could refuse to cooperate in the development of joint funding proposals for technological change.

6. 'Turf' issues surrounding computer systems and networks could prove to be insurmountable.

14.3 WHAT INTERNAL FACTORS COULD AFFECT THE IMPLEMENTATION?

1. The lack of acceptance of the concept. This could occur at the staff level, the Government Agents level, the Regional Directors level or within the Victoria based ministry staff.

2. Failure to present a unified front regarding technology. Critical negotiations with other ministries and BCSC could be harmed unless there is a unified position put forward by the Ministry of Small Business, Tourism and Culture.

3. Inability to find the necessary secondments within the existing staff compliment to provide for the implementation of the changes and the ongoing negotiations and marketing with the client ministries would severely limit the capacity of the program to proceed.

4. A poor implementation process could lead to the demise of the plan.

14.4 WHAT CAN BE DONE TO REDUCE THE RISKS?

1. Gain the support of the Ministry Executive as the first step.

2. Gain the support of Treasury Board, PSERC and the BCGEU early in the exercise. Negotiations with these bodies is critical to the process moving forward successfully.

3. Work closely with the client ministries to secure their support for the idea in principle. Deal with the cost recovery issue very carefully at this stage.

4. Develop an excellent implementation plan which reflects flexibility on timelines, allows for teams of staff to develop the details of the changes, that is visibly supported by the senior executive of the Ministry, that reflects an understanding that it will not be easy and will require persistence and perseverance to succeed and that allows everyone to share in the pride of succeeding.

5. Develop a vision for the future that will be challenging and exciting. Talk about the vision at every opportunity. Help colleagues and competitors to see the value of the new approach for Government Agents. Be creative in the solutions that are proposed for increased business. Develop partnerships in new, untried areas.

6. Negotiate hard for realistic financial targets with Treasury Board. Promise to adjust them on an annual basis if they are exceeded.

15.0 IMPLEMENTATION

15.1 STEPS NEEDED TO ACHIEVE THE NEEDED CHANGES

Overview

The target date for implementation of OPTION 2 features should be April 1, 1995. This would parallel the start of the new fiscal year, is far enough away to allow negotiation of the needed changes and provides for some flexibility in the timeline.

It is important to keep in mind that these suggested steps are not rigid and are open to adjustment and changes as the need arises.

The steps will be divided into three groupings.

1. The first will reflect the early consultation and 'building of coalitions' to ensure there is support for the idea before proceeding.

2. The second will involve the negotiation of the critical elements of the new plan as outlined in OPTIONS 2 and 3 with the key bodies.

3. Finally the last stage will involve the actual implementation of the plan.

Stage 1 - Building Support

1. Inform all staff of the suggested changes. Wherever possible this should be done by a combination of headquarters and field staff in a face to face situation.

2. Allow time for responses from those who have been informed.

3. Adjust the plan to meet the concerns and hold a second round of meetings. (If there are still serious reservations, the plan should be reviewed and further adjustments made.)

4. When it is determined that internal support is present client ministries should be informed of the suggested changes.

5. Initial discussions with Treasury Board and the Planning Board of Cabinet should be undertaken to alert them to the proposed plan. (This step could

possibly occur before the field consensus is built. However, the value of having staff support the action before requesting permission is suggested here.)

6. Once support is gained from Cabinet and Treasury Board contact should be made with PSERC and the BCGEU regarding the implementation of the plan and the linkages to the Renewal and Revitalization initiative.

7. A weekly newsletter should be produced regarding progress for all staff in the field. During these stages of negotiation little will be happening in the field. To ensure that people understand the process of bringing about the needed changes takes time, the newsletter can report on progress and reduce anxiety.

8. Implementation staff should be seconded and become part of the team as soon as support has been gained from the ministry executive.

9. Work should begin on identifying members of teams who will work on the details of implementation. Teams could be focused on such areas as:

    - cost recovery
    - technology
    - personnel (including career paths)
    - facilities
    - satellite offices
    - protocol agreements
    - training

10. When all clearances have been secured the process will move to the negotiating phase.

Stage 2 - Working out the Details

- A number of key negotiations will be needed for the project to proceed. The choices are to have a single team, led by the Deputy Minister and/or the Assistant Deputy Minister negotiating all the issues or to have a number of teams established for negotiations in various areas. Regional Directors and ministry Directors would be added to the negotiating teams.

- The establishment of OPTION 3 will require discussions and negotiations with : Treasury Board, PSERC, BCGEU and Client Ministries. Topics would involve the cost recovery targets over the next 5 years, the degree of flexibility allowed and the level of accountability expected of the Government Agents.

- Addressing the technological and systems problems facing the ministry will require discussions/negotiations with client ministries, BCSC and Treasury Board.

- Facilities and Satellite offices will require discussions with BC Building Corporation and Treasury Board regarding the degree of freedom to seek new locations.

- New Protocol Agreements with the client ministries would need to be negotiated with each of the ministries over a three year period. Secondments would be secured to carry out this work. Success will be dependent upon Treasury Board support for the cost recovery approach. The new agreements would contain allowances for the training of staff on new or revised programs.

- Personnel discussions would be carried out with the BCGEU and PSERC. Areas to be covered would be the degree of flexibility that would be allowed to provide customer service on Saturday and during evening hours. Implementation of pilot studies would be encouraged. Career path planning for all levels should also be established.

- An early decision should be made to consider whether or not the teams should be established to provide feedback regarding negotiations and to assist in guiding the negotiators in their deliberations. We would recommend that they be a part of the process from the beginning.

- When the above areas have been successfully negotiated and the rules are clearly established the process should move on to the next phase.

Stage 3 - Implementation

- Upon completion of the above negotiations, but no later than April 1, 1995 OPTION 2 will be implemented and the changeover begun.

- Teams will guide the changes and set the tone. Flexibility in timelines will be important as problems will inevitably arise.

- An annual evaluation process should be put in place for the first 5 years. This review should be based upon agreed criteria for success. Critical success factors should be identified and everyone should know what they are before the process begins.

- A second round of workload information should be gathered and the new information be used as the basis for reviewing staff re allocation.

- The implementation team should make monthly reports to the field and headquarters regarding progress and problems.

Timelines

Stage 1 should be completed by October 1, 1994

Stage 2 should be completed no later than March 31, 1995

Stage 3 should be completed no later than September 30, 1995